



Northern Ireland
Assembly

Committee for Social Development

OFFICIAL REPORT (Hansard)

Fuel Poverty Thematic Action Groups:
DSD/National Energy Action Briefing

3 October 2013

NORTHERN IRELAND ASSEMBLY

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Members present for all or part of the proceedings:

Mr Alex Maskey (Chairperson)
Mr Mickey Brady (Deputy Chairperson)
Mr Jim Allister
Mr Gregory Campbell
Mr Trevor Clarke
Mr Michael Copeland
Mr Stewart Dickson
Mr Fra McCann
Mr Sammy Wilson

Witnesses:

Mr Oliver McHugh	Department for Social Development
Ms Deirdre Ward	Department for Social Development
Ms Pat Austin	National Energy Action

The Chairperson: I formally invite Deirdre Ward and Oliver McHugh from the Department for Social Development (DSD), as well as Pat Austin, to come forward. You are very welcome. I apologise for the delay in getting the open session under way, but we were going through some legal issues. Without any further ado, I invite you to make your progress report to the members, and we will take questions after that.

Ms Deirdre Ward (Department for Social Development): Good afternoon. Thank you for the opportunity to brief the Committee on progress with the fuel poverty thematic action groups. Because of previous commitments, only one of the chairpersons of the thematic groups, Pat Austin from National Energy Action NI (NEANI), is able to attend today. She will update the Committee on the achievable warmth subgroup, which she chairs. Oliver McHugh will provide an update on behalf of the other subgroups, and I will provide you with some background to the work of the groups and update you on progress with the Department's fuel poverty strategy.

In April 2011, the Department launched its new fuel poverty strategy, Warmer Healthier Homes, which set out a vision for the future as a society in which people live in a warm and comfortable home and need not worry about the effect of cold on their health. The strategy emphasised the need for a partnership approach to tackling fuel poverty. The Department remains committed to its vision for the future as a society in which people need not worry about cold. We are keen to continue with the practical solutions that will make a real difference to the thousands of households that are struggling to heat their home.

In late 2011, the Committee held an event that brought together representatives from Departments and the voluntary and energy sectors to discuss what could be done to tackle fuel poverty. The Committee reported on the event in May 2012, and one of the key recommendations of the Committee's report was the establishment of thematic action groups. Four subgroups were established to focus on the main issues that the group identified. The subgroups are: achieving affordable warmth; prevention; targeting; and opportunities, synergies and risks. The groups have met regularly since and are made up of representatives from relevant Departments, including the Department of Agriculture and Rural Development (DARD), the Department of Health, Social Services and Public Safety (DHSSPS), the Department of Enterprise, Trade and Investment (DETI), the Department of the Environment (DOE) and the Office of the First Minister and deputy First Minister (OFMDFM). The voluntary and energy sectors are also included, with representatives from Power NI, Phoenix Gas, Firmus Energy, the Consumer Council, National Energy Action, the University of Ulster, the regulator's office and the Oil Federation. That represents an excellent spread of experience and reflects the attendance at the Committee's fuel poverty event, which was the basis for its fuel poverty report. The members are fully supportive and regularly attend the subgroup meetings.

Pat and Oliver will update the Committee on the work of each of the subgroups. Although I accept that we have more work to do to progress some of the recommendations and actions in the plans, I believe that most of the work that the subgroups identified is being progressed through the implementation of the Department's fuel poverty strategy. I would like to highlight a few examples. The warm homes scheme has been the Department's main tool in tackling fuel poverty since 2001. The scheme has assisted over 120,000 low-income households to improve their energy efficiency. The contract for the delivery of the scheme will end in June 2014, and the Department is considering the options for the future delivery of improving energy efficiency to low-income households. One option that we are actively exploring is using a more area-based and targeted approach to identify low-income households in fuel poverty and working in partnership with local councils to deliver energy efficiency improvements through this affordable warmth pilot. We are scheduled to brief the Committee on that approach in December, but I want to take this opportunity to give an update. The Department is also considering what impact welfare reform and, in particular, universal credit may have on the criteria on the warm homes scheme and affordable warmth. We want to be sure that those who are most in need of help will continue to receive it.

The Department recently completed an achieving affordable warmth area-based pilot in partnership with OFMDFM, DARD, the University of Ulster, the Housing Executive and 19 councils. The aim of that unique approach was to deliver energy efficiency improvements to homes in small concentrated areas using targeting tools that the University of Ulster developed. Targeting enabled us to identify areas of poor housing and low incomes indicating in high prevalence of fuel poverty. Households that met the warm homes scheme qualification criteria had the energy efficiency improvement measures delivered by the warm homes scheme contractors. Households that were surveyed but did not meet the warm homes criteria were offered loft insulation and a boiler service. That was delivered by installers outside the warm homes scheme. That provided work for a significant number of installers. The university's evaluation of the pilot estimates that one in two houses that were contacted proved eligible for assistance for the warm homes scheme, which tells us that the targeting is working. So, the university's research tells us that we can find the people in fuel poverty. Following on from those positive results, we have now moved to phase 2 of the pilot, which will trial how the energy efficiency measures can be delivered by testing the operational delivery and using local installers to carry out the work. That will mean that those homes that are identified and proven to be eligible for energy efficiency improvements in phase 2 of the pilot will have those improvements delivered by local installers who are not contracted to the warm homes scheme. Part of the pilot started on 2 September in the mid-Ulster cluster of councils — Dungannon, Cookstown and Magherafelt — and the Department will report on and evaluate the outcomes over the next months. One thousand homes will be targeted in the mid-Ulster area and another 200 in the Newtownabbey council area.

The boiler replacement scheme has been a major success in improving the energy efficiency of low-to-middle income households. Since the scheme was launched in September 2012, 7,320 new boilers have been installed, of which 3,790 were installed between April 2013 and August 2013. More than 800 local installers have been involved in replacing boilers, and 24,000 households are likely to benefit from the boiler replacement scheme. A total of £18 million, including £6 million from the European regional development fund (ERDF) and £12 million from DSD, is available for the scheme between August 2012 and August 2015.

Additional resources have recently joined the Department's fuel poverty team, and it is planned that further work that is referred to in the Department's fuel poverty strategy will be taken forward on oil clubs and oil stamp saving schemes, and there will be further research on a pay-as-you-go oil scheme

and the impacts of welfare reform changes on the fuel poverty schemes. We are committed to working in a collaborative and inclusive manner and are keen to explore all the options and new initiatives to provide assistance to the most vulnerable households. I will now ask Pat Austin from National Energy Action NI and chair of the affordable warmth subgroup to update you on that subgroup, after which Oliver McHugh from DSD housing will update you on the other subgroups.

Ms Pat Austin (National Energy Action): I come from a very different perspective from that of the Department. NEA is a fuel poverty charity, and we have put our shoulder behind the Department's strategy. I will outline today some of the work that we have done, but I think that it would remiss of me not to highlight some concerns that I have about the spirit of what we felt the strategy would look like based on the event that the chairman held on 16 November and on the outworkings of the thematic action groups. It is also a disappointment that my colleagues who chair the other two independent groups are not here to voice some of those concerns. Although I commend the Department for some very good area-based work that it is doing, I have to highlight our concerns. I am here by myself, but I speak primarily from NEA's perspective, and I understand that that is also the opinion of other people on the group.

I will outline what the chairpersons have done. The Department convened a group that had members from the Oil Federation, Noel Rice from the Northern Ireland Housing Executive and Wilma Stewart from Power NI. Oliver McHugh was also on that group. The four chairs met on many occasions as a group to decide next steps with the Department. It is with regret that I say that I do not feel that any progress has been made on the issues and on the recommendations that we made. We got your original report from the Committee — there were maybe about 48 recommendations — and we looked to see how, in a realistic manner, we could progress some of those recommendations. We were then asked to parcel them down. I know that everybody is under time pressure, so I do not necessarily want to go through all the issues that we raised and the areas of progress, which we felt were doable. We understand that fuel poverty is a massive and very difficult issue to tackle, but we have to highlight that it affects 42% of households in Northern Ireland. Although it is a problem across the United Kingdom, it affects 18% in GB, 42% in Northern Ireland and 26% in Scotland. So, it is quite clear that the interventions and the way in which we respond to this problem need to be more than they are now.

The big issue is that 68% of households are reliant on oil. One of our key recommendations was for a working group with representation from the Department of Finance and Personnel (DFP), DOE, DSD, DETI, Trading Standards and the Consumer Council to be convened to reflect the diverse nature of oil, to look at areas such as energy efficiency, codes of practice and quality standards in insulation and to ascertain what it is within the gift of government to progress.

Our group also produced a paper to scope the issue of stamps in councils. It became apparent that the pay-as-you-go method, which DSD was rolling out as a solution to tackle issues with oil, is not going to happen. So, it was to be rolled out for a couple of years, and it is now under review. We now know that the economics for how it will look do not stack up. If that is the case, we need to say out loud that it will not be a solution in the short to medium term. We asked the Department to look at what is going on in councils to see where there are potential gaps, what amount of money is being spent and whether there is something that we could do in a more coordinated fashion. A key ask for us was looking at the report on the issues in and barriers to the uptake of gas. Again, nothing has been done to that end.

We met the Minister on 22 August, and I presented my paper. The Department's role in driving this strategy forward needs to be explored. When I presented these issues, it seemed that the Department was not minded to progress any of them.

The area-based approach is a good approach. We have always advocated an area-based approach, although not at any cost, and we still need to look at the costs and benefits. However, the area-based approach has brought in the Housing Executive and councils in a much bigger way than the warm homes scheme. There are layers of bureaucracy in that system. Although we, as a group, advocate an area-based approach, we are asking to see the cost-benefit analysis of what it might look like. I think that that is a key issue for the Committee, because the area-based approach will shape the fuel poverty programmes post-2014 and any new look at what fuel poverty interventions will be.

I commend the Department, and although it talks about partnership working as a key area in its strategy, I am convinced that there are better ways that we could work together in a more concerted manner to progress some of the things that the group has brought about.

The Chairperson: OK, Pat; thanks very much for that. Deirdre, may I come in, or do you want to come in first, Oliver?

Mr Oliver McHugh (Department for Social Development): My only update is on the other groups' work.

The Chairperson: Before you start, I will make a point that relates to a core part of Pat's contribution. If you recall, a large number of the stakeholders made the point that these working groups will be talking shops. I am not putting words into Pat's mouth, but there is a suggestion that they have not been as key a driver as might have been hoped. Do you want to respond to that, Deirdre? Oliver might respond, given that he was going to talk about the other groups.

Ms Ward: The working groups have been in place since this work commenced, so it might be time to review how they are working, how are they structured and what we can do to get more traction and more energy to move things forward. Taking on board the points that Pat and others made, we might look at how the groups are constituted and how we can give them the same level of energy and forward movement that there was at the start. I think that that might be fair to say. So, I think that we will review how the subgroups are doing and see what can be done to move them forward again.

The Chairperson: I do not expect people to give full answers, because, obviously, each of these issues could be debated in their own right. However, it is important that I flag it up, because it was a key concern of a lot of the stakeholders. It has been flagged up, and you have given an initial response.

Mr Wilson: I am new to this. Pat indicated that the working groups have not been as effective as she hoped they would be. Pat, will you be a bit more specific? What kind of issues was the working group trying to get dealt with that it found a blockage on?

Ms Austin: I chair one working group, but the NEA is represented on all the working groups. As I said, we put our shoulders behind it and wanted it to work. We wanted to progress some very practical things and to look at what we can do with oil. I know that that issue sits in another Department, and it is the one elusive issue that we cannot tackle. We also wanted to convene key people in a room. To me, that is not going to take a lot of work, but I cannot do it. It came back to me that it was my responsibility to do that, and I said that, as a charitable organisation, we have no power to bring individuals from government into a room to look at what we can and cannot do as a starting point on oil.

We mentioned the regulation of oil, but we do not mean big-picture regulation. We might look at regulation at the smaller end, maybe its installation, the quality of oil is going in and how difficult that would be. There are lots of very simple issues.

If you look at some of the groups' work, you see that it is easier to progress some areas than others. We looked at the barriers for the warm homes scheme, who was and was not getting access to that scheme and why they were not getting it. The eligibility criteria for the scheme were changed a couple of years ago, and, as an organisation that works operationally on the ground, we know that there are many people who cannot access that scheme. It is quite inflexible at the moment. So, we wanted to look at that, but that was not progressed either.

I think that it would be helpful if we could ascertain the Department's role in relation to the groups and the role of the chair. I am quite happy to do whatever I can with the Department, but, as a representative of a charitable organisation, I have to walk away and say that I have now attended x amount of meetings and I do not think that anything different has happened as a result. There has been an exchange of information in some areas, but there has certainly been a lack of progress in this area. The Department is doing some fantastic work with area-based approaches, but if that is the only show in town, that is what it is working on.

The Department is saying nothing and giving the impression that those groups are working as they should, but that is not my or others' view. For example, we were asked to parse our requests down to two key asks. The other groups also did that, and I thought that that was going to form the basis of a work programme with some resource set aside and an idea of how we were going to progress that. However, that has not happened.

Mr Wilson: You gave two examples: the warm homes scheme; and the need for greater flexibility with it. Looking at some of the people who have been turned down for that scheme in my constituency, I can see where there can be greater flexibility. It is possibly easy for the Department to do something about that. However, because of the structure of industry, there may be an inability by the Department, rather than an unwillingness, to do something about an issue such as the regulation of oil.

You mentioned the warm homes scheme and the need for flexibility of the criteria. Are there any other examples where you believe that, with willingness, it could have been done but has not been done? That would maybe give us some guidance on what we should push the Department on.

Ms Austin: I am not talking about regulation. I understand that regulation is a big issue. I should not have mentioned it, because it causes an initial blockage for people. I did not mean it in that sense. However, if we continue to say that we have no remit over oil, we will never tackle fuel poverty and it will only be an energy efficiency scheme.

A total of 68% of households in Northern Ireland are reliant on oil, and, with the size and scale of how we buy oil, it is very difficult for householders to find £300 or £400. We have a problem with those who buy 20 litres of oil at a time. We have carried out some recent research, and we found that older people are buying 20 litres of oil. I am not quite sure how they get it into their tanks, but they are climbing up and pouring it in. There are implications for the Housing Executive stock. There is lots of work that we could be doing on that to identify where those people are.

There is work that could be done. I could go away and write a work programme, but I kept to the spirit of this and reduced the requests to two key asks. We are trying to make it manageable for people to make progress with, and it is doable, but, as I said, nothing has happened.

The Chairperson: It is probably difficult to drill down into all these things, and we will probably want to come back to some further reports and whatever else. We will work out how we do that before the end.

Mr Campbell: I just want to ask about a couple of things. My first question is addressed to Deirdre. You referred to the pilot project, whereby you identified that one in two households are eligible. Did you anticipate that it might have been 50%? Was that higher or lower than you anticipated?

Ms Ward: The University of Ulster did the research. The result was probably higher than we anticipated. I am not an academic, but the university compiled a very complex algorithm that was able to target where people are likely to be in fuel poverty. When council workers went out and knocked the doors, they found that one household in two was eligible for the warm homes scheme.

It also tells us that the people who are most in need of accessing the scheme are not always those who access the help. So, going out in a very proactive way to knock doors resulted in one in two households being eligible for the warm homes scheme. We had not reached those people before, or the scheme had not got to them previously. That is particularly good when trying to access those who need help the most.

Mr McHugh: The University of Ulster told us that that was a very high success rate. We thought that one in two was good, but we wondered whether we could do better. We went back to the analytical services unit with those people who were in the 50% that did not get help from the warm homes scheme, and it turned out that a significant number of them — about 300 households, though I cannot put a percentage on it — actually qualified for the warm homes scheme but did not know what benefits they were getting.

Mr Campbell: I ask that question, because if you take the stand that NEA has given us, you see that Northern Ireland is much higher on the scale of fuel poverty than other regions of the UK. In Northern Ireland, fuel poverty rates are higher than the national average, so if you begin your targeted base at areas that are probably even more acutely in need of assistance, I would have thought that 50% would have been quite a low result. If you are targeting this correctly, surely you would have expected to find 60% or 70% in small locations where you would expect to get a high return in a region of the UK where there is already a high return.

Ms Austin: May I make a point there? I agree completely with you. We do not know why the other 50% of people are not getting it. It may be that the eligibility criteria do not suit their household.

Therefore, if they are in fuel poverty, and the eligibility criteria do not meet their needs, there is a problem with the eligibility criteria. As Deirdre pointed out, some of the people may already have had the warm homes scheme, but there needs to be an analysis of why the results are as they are. The targeted areas show the areas that are in fuel poverty and the interventions that we can provide for them. However, 50% of those people were not able to get an intervention.

Mr Campbell: That is another part of the question that I wanted to ask. Some people are in the targeted area but had already received installation, cavity wall insulation, roof space installation or the whole warm homes scheme. If they had already received that, and there were no additional measures to which they are entitled, did they fall in category 1 or 2? Were they in the category that was entitled but had already received, or were they excluded because they had received help, even though they were entitled to it?

Mr McHugh: The university would have screened those households out. The university had access to that information from previous warm homes work and would have screened out any houses that had work done in the past. Three years ago, when the building regulations changed, houses may have become entitled to a top-up of loft insulation.

Mr Campbell: When you say that they were screened out, do you mean that they were excluded from the sample before you arrived at categories 1 and 2?

Mr McHugh: Yes. They would have been taken out of that.

Mr Campbell: That would indicate to me that the figures should have been even higher again. If several thousand people had already successfully accessed the warm homes scheme by themselves or through advice or assistance and were excluded from the programme, you would expect the others whom you were targeting to be even more predominantly in need. Should that not have pushed the figure higher again?

Mr McHugh: What that has told us is that we probably need to look at the warm homes scheme criteria. The criteria screen them out. It is not that they are not in fuel poverty or in need of the interventions; rather, it is that they do not meet the warm homes scheme criteria. That is part of our review.

Ms Ward: As —

The Chairperson: Sorry, Deirdre, I do not want to interrupt the flow, but you indicated that you will give us a full briefing on that issue on 5 December. So, although it is important to raise it, I think that it is probably better that we do not delve into it in too much detail, because we will get the full picture then.

Ms Ward: As we said, we will review the warm homes scheme criteria, which is due to finish in 2014. At that point, we will have to have the new criteria. The criteria will have to take into consideration what we are learning from these pilot studies and what the impacts of welfare reform are. So, we will move forward to a new set of criteria.

Mr Campbell: I have one final question. The Minister indicated to the Assembly and the Committee the importance and the emphasis he placed on ramping up the double-glazing issue to address fuel poverty. Did you look at the impact that would have, assuming that there is a successful outcome to this?

Ms Austin: We are an energy efficiency charity as well. It is known that 35% of heat is lost through the walls, 25% through the roof and 15% through the floors. Although there is a comfort element to having double glazing — I certainly would not suggest for one second that you would not put double glazing into poor households — the best thing to do, in addressing the hierarchy of need and targeting that money, would be to fill the cavity walls. Of course, it is all in the round, but cavity wall insulation would provide the best payback. Of course, I am not from the Housing Executive, so I do not know what is happening to that end, but, for the warm homes scheme, the big bang for energy efficiency is the current interventions of loft insulation, cavity wall insulation and an efficient heating system.

Mr Campbell: But do you accept that it is not either/or?

Ms Austin: I have been to older people's houses where the windows are falling in, and, of course it would be a good thing to have double glazing there.

Mr Copeland: I greatly appreciate the work that you do. I just want to clarify something. If a home heated by oil is identified as being in fuel poverty and a new boiler or gas is put in as an alternative, that home will presumably be in a lesser state of fuel poverty. However, if the price of oil or gas changes within days, weeks or months, would that potentially kick that home back into fuel poverty, and would that home still be counted as being in fuel poverty at that point, despite the fact that quite a lot of money has been spent on taking it out of fuel poverty? So we can say we spent the money, but there is no direct correlation between spending the money and getting the outcome. Is it not true that, eventually, we are going to have to look at this not from the end user point of view but from a production point of view; in other words, the energy supply or where we source our energy from? Is it not true that, until we address the efficiency with which we produce energy and the sources that we use, that problem cannot be properly solved?

Ms Ward: There are three things. There is the amount of income that comes into the house and how that is affected; hence, the link to the uptake of benefits. If people's income changes, that can push them in and out of fuel poverty, because it is the percentage of income spent on fuel that determines their fuel poverty status. Then, there is the thermal efficiency of the residence, and then, you are right, there is the price of what they purchase. Those three things come together to put people in fuel poverty.

Mr Copeland: I suppose that, to a degree, it depends on the speed at which the assessment of fuel poverty takes place. In other words, it may be difficult for any Minister, despite his and his Department's best efforts, to come forward and say that fuel poverty has decreased, because although an enormous amount of money has been spent, which may be an indicator of an attempt to tackle the problem, the reality is that the price of oil, gas or other sources of energy has negated all that work, and it has really not changed things at all.

Ms Austin: If I were in government looking at the policy interventions, I would be very disheartened to see that, despite millions of pounds going into this, fuel poverty continues to increase. So, there is definitely an argument for decoupling that.

There is a wider debate in GB, in light of the Hills review, about how we measure fuel poverty and the interventions, as you quite rightly highlighted, Michael. When it comes to comparability, however, we still use the house condition survey, which is a very blunt measurement instrument. We measure every couple of years, but by the time we get the data, it is out of date anyway. However, it tells us that we are at 42%. England, which uses the same model, is at 18%.

We have a massive problem, and how we measure that is up for debate but, of course, that is a policy matter. For us, it is about the individual who needs to put the heat on. Not putting the heating on will make you ill and you can die because of that.

The Chairperson: A number of members wish to speak, and I know that Oliver and Deirdre have a lot of other issues to cover. I am not saying that we are at this point, but at some point, arguably, a lot of money would have been spent on a house or a number of houses in an area. You could have the highest specification of measures for warm homes, but if you use a particular measurement and fuel prices go up or your wages go down, you are still in fuel poverty even though everything conceivable has been done to bring your home up to the highest specification. There is a need to address that somewhere along the line, otherwise you will never get around the argument, which then means that you are following a false target, so to speak.

You may want to use your money to do something else to help other people. Pat used the term "decoupling", but I am not suggesting that you should do that. I just think that we need to be aware that, given the way in which we measure these things, you could spend an awful lot of money to bring homes up to a very high standard but not make a dent in the fuel poverty statistics. We need to bear that in mind.

Mr Dickson: I agree with the Chair in the sense that there is, perhaps, a bigger study to be done on how we target resources and do the right thing with them, but we also have to deal with the practical realities. This winter, 68% of people will be using oil and they will do exactly as Pat described. Many of them will be older people or single-parent families who will buy those 20-litre drums.

Pat, in your view, has the Department failed to grasp that issue, the consequence of which is that we are now at the beginning of another winter when people will have to decide whether to put food on the table or buy a 20-litre drum at the local petrol station or wherever?

I was taken by what you said. It is neither your responsibility nor do you have the resources to bring all those people into the one room and bang their heads together. I appreciate DSD's perspective that, although you have some power in this matter, you are nevertheless dealing with commercial interests who can say what the price is.

We have got to deal with this problem. People who sit on committees in rooms such as this to debate this issue are never going to solve it. Can the stamp scheme be made to work on a Northern Ireland-wide basis? If it can, what could that deliver to those 68% of people who are dependent on oil for heating?

Ms Austin: You asked whether the Department failed. The difficulty is that the remit for dealing with oil sits with DETI, and the issue is being bounced to and fro with no one grasping it. It would be harsh to say that the Department has failed.

Mr Dickson: Could I interject? Recognising that, has the Department failed to recognise that it is a cross-cutting issue? Is the Department saying to us that it has done its best and cannot get DETI involved, or is it that it did not see it as a cross-cutting issue and has done nothing about it?

Ms Ward: DETI sits on the thematic subgroup, so it is involved in the discussions. It has responsibility for energy price regulation.

Ms Austin: Without a doubt, there is no difficulty in having a card-based pay-as-you-go system here. I am not saying that it will be easy. Nothing is easy, but having scoped what all the councils are doing about oil and what is being spent on it, and if there is a will, we could get the right people in the room. Those people may not have the ability to do it, but there are companies such as PayPoint or whoever that could come in and make a pretty competitive stab at coming up with an electronic pay-as-you-go method. The pay-as-you-go method that was trialled by the Housing Executive, although small, was a great success. When a litre of oil was 60p, the pay-as-you-go method was costing 68p a litre, so once again, that is penalising the poor person. We are saying that it is not at any cost that we want to do this, but there are definitely things that can be done in the short term. In the longer term, it has got to be about renewables and our reliance on that, but here, this winter, there has been a failure for the people.

Mr Dickson: Here and now.

Ms Austin: Yes.

Mr McHugh: It was —

The Chairperson: Sorry, Oliver, I want to bring in Mickey and Fra. I do not know whether many other members want to speak, but I think that we have covered a fair bit, so I would like to bring in Mickey and then Fra and then go back to you.

Mr Brady: Thank you for your presentation. The point has been made that fuel poverty is predicated on household income. I think that Deirdre made the point about the uptake of benefits. The reality here is that there is approximately £1.9 million in unclaimed pension credit. That has not been addressed properly. That is a lot of money.

The other reality is that, since 2002-03, over 2,000 older people have died of cold-related illness because they could not afford to heat their homes. When the Committee took the decision to convene the meeting in 2011, fuel poverty was a priority. Now, two years later, you are basically saying that there is almost a non-commitment from the Department. In my view, that it is paying lip service to schemes.

You talked about bureaucracy. If you look at the boiler replacement scheme, you see that building control from councils has to come in and people have to fork out another £60 or whatever. In my area, Newry and Mourne District Council has sorted that out for people and has taken the hit, but other

councils have not. That creates problems right across the North. There are issues around the bureaucracy that need to be addressed.

I think that you are saying that warm homes is a good scheme, as is the boiler replacement scheme, but in many cases, they are not targeting the most vulnerable and those who need it most. Therein lies part of the dilemma.

If the Department is not committed, has it given you reasons why? From your perspective as a voluntary organisation, you are lobbying and you do not have that kind of control.

Ms Austin: I was very disheartened at the last meeting that I went to. As I said, the Department is committed and there are people sitting beside me who are working hard on the agenda. If the agenda is an area-based approach, that is the agenda, but the Committee should know that these action plans and these other areas are not being progressed and ask, if not, why not. I do not have the time and other people do not have the time to go to talking shops. There is a will in the Department, without a doubt. There are good people working hard on area-based approaches. I believe that more could be done. It is what it is.

Mr F McCann: Thank you. Some of my questions have been answered, so I will not go over them. I know that the event that was held in the Assembly a couple of years ago was, for many people, the first time that they had got together from different sectors. There was hope that the Department was sitting down with those who delivered gas, those who delivered oil and people such as you, Pat, and effectively looking at how to make things better for people. However, from what we have heard today, it seems that, while the commitment is there, the will is not there in some places to allow the thing to proceed. In my constituency, day and daily, you see people who have broken oil systems and cannot afford to get them fixed. They have to face another winter, as Stewart said. The most difficult thing to do, regardless of ill health, is to get the Housing Executive to push ahead with schemes that will change that system.

One of the big differences is that, when people are buying oil, besides those using the small containers, they are doing it over six or eight months. If you get gas, you are paying for it fairly regularly, so it helps people to budget better.

The report refers to the 2012-13 benefit uptake programme. It is like reading how things were done five or 10 years ago. There is no new thinking about how to get people to sit down and talk about their benefits. People watch television, listen to the radio or lift a paper, but the last thing that they will stop at is something in the paper. There has to be a more effective way to deliver the message. As Mickey said, there is £1.9 million in unclaimed pension credit. There are enough organisations in the advice and community sectors that would be willing to take on house-to-house benefit campaigns, which would allow you to tap into that audience.

There does not seem to be that extra wee bit of new thinking. When people were talking, I was just thinking whether it would be better to start with a blank page and just say, "Well, let's sit down and work out the most effective way." But, of course, that needs commitment from government to ensure that the thing is being done.

The Chairperson: Two more members indicated that they want to speak. I do not want to overburden you with a lot of issues, but some are linked. So, would you mind if I bring Jim in and then Sammy?

Ms Austin: No.

Mr Allister: I sense Ms Austin's frustration. You made fleeting reference to a meeting with the Minister; I think you said it was on 22 August. Did that not bring any of these matters to a head or address those issues?

Ms Austin: No, unfortunately it did not. The cross-partnership group came together but the meeting was not well attended. I do not feel that there has been good attendance. There were a couple of meetings that the Minister was not able to attend at the last minute, which is understandable. People are busy and whatever. On the back of that, we had a very low attendance at our last meeting. I spoke with a senior official on these issues, and they were bounced back to me. The Minister was there, and it was like a reporting session, so there was no further scrutiny of these issues. I was basically asked to go and do some more work. I said at that meeting that I can do no more on these particular issues.

Mr Allister: Was there no response from the Minister to your complaints about those issues?

Ms Austin: I suppose I did not complain. I tried, diplomatically, to make the point that some of these issues need to be progressed. To be honest, I did not get anywhere. We do not know whether the Minister sensed my frustration, but we delivered the action plans, the meeting finished and we left. The area-based approach was discussed.

Mr Allister: Was there no follow-up to that?

Ms Austin: No, we had no follow-up to that.

Mr Wilson: This question is intended more for Oliver. Can we be absolutely sure that all the funds that were allocated to the warm homes scheme, boiler scrappage etc will be spent? It is one thing to talk about schemes and then find that they are not delivered.

Pat mentioned the prevalence of oil, and the expense of that tends to be one of the main sources of fuel poverty. On occasions when I approached some of the gas suppliers, they indicated their frustration because the Utility Regulator would not give them the go-ahead to do gas extensions, sometimes even in areas where the network is there but they need to do small extensions. Has there been any contact with the Utility Regulator to find out why there has been reluctance to allow the funding for gas extensions and to explain the importance of getting gas to more areas to try to deal with this issue?

Mr McHugh: The extension of the gas network, and even using the network that exists, is an issue. The first port of call for the warm homes scheme is always to replace oil with gas. Gas is always the first port of call for us because it is cheaper than oil. We do have discussions with the regulator. The regulator attends the subgroup meetings and is aware of the desire and the help that it would be in tackling fuel poverty if the gas network was extended or even used properly or better.

To go back over a few things: our view will be a bit different from Pat's on the success of the subgroups, in that we think that most of what the subgroups have come up with is being taken forward in the fuel poverty strategy. We are using a more targeted approach to the affordable warmth pilot and are working in partnership with councils to deliver those measures. There certainly are things that we need to get a grip on, and Pat highlighted them: the concept of oil, the use of oil and the price of oil. As Deirdre said, we have beefed up the team a bit to try to take those issues forward.

We are conscious that we should and could be doing more on oil stamp savings schemes and the pay-as-you-go oil scheme — things that would make a difference — and we are going to move on those things as part of the fuel poverty strategy. Again, as Pat said, it is fair to say that we have been concentrating on affordable warmth and a more targeted approach. It is working; we have proved that the targeted approach works. I will brief you again in December about just how good the phases have been and how they could be better. I know that we have some issues about the councils knocking on doors and trying to get people to take part in schemes, and then refusing people even though they know that they are entitled to them. We are getting better at that.

We do not have the perfect answer for the benefit uptake, but it is part of our affordable warmth scheme. Everybody is offered a benefit entitlement check. We are finding that people really do not know what benefits they are getting and what they are entitled to, and that is coming out very clearly.

To summarise: we believe that we are going in the right direction with affordable warmth and with the targeted and partnership working approach. We think that the warm homes scheme has been very successful, but it is now coming to the end of its time. The evidence shows that those targeted have not self-referred to the scheme, so we are getting to the people who really need the help. Will we ever eradicate fuel poverty, or will we get to the 42%? We are now targeting those who need help most, and that is the right direction.

Mr Wilson: Are we on target to spend all the money?

Ms Ward: Yes, we are on target to spend on all the schemes. Boiler replacement is slightly ahead.

Mr McHugh: That includes the money that was —

Ms Ward: The European money that came in.

Mr Brady: You were talking about oil to gas or gas to oil. I dealt with a case this week where a man with severe mental and physical health problems was moving into a bungalow. The bungalow had to be refurbished because the heating system was broken. Most, if not all, of the houses in the area have gas, but the Housing Executive insisted on putting oil in because it is the policy. If that is the case, it needs to be changed. I have absolutely no doubt that that person will be contacting me in a few weeks when he cannot afford oil and will be forced into fuel poverty. He is on benefits and has quite serious health problems. There was no negotiation. We tried to talk reasonably and find out what the rationale was, but there is no rationale. If you have a gas connection sitting outside your house that is going to be cheaper, why not connect to it, whatever the policy? The policies can be changed. We are talking about the practicalities and the reality, and fuel poverty, as Pat said, is increasing. That is one example of why it is increasing; people are being forced to take on methods of heating that they really should not. That man is going to end up getting 20 gallons, or whatever the small drums hold, and he is not going to be able to afford it. Also, there is an issue around his ability to budget and cope. Parents do their best, obviously, but all those issues have to be factored in. However, it just struck me as a particular example of how the system is going wrong. If you have policies that are not flexible or able to be changed, it is time to start looking at those policies.

The Chairperson: Fra, were you looking a brief word there?

Mr F McCann: It was just on the boiler replacement scheme.

The Chairperson: Let Deirdre respond.

Ms Ward: I am not aware that the Housing Executive has a policy to always install oil; gas is its first preference.

Mr Brady: Sorry, I should make the point that the previous tenant, who has not been in the house for a while, had oil; ergo, the executive said that it had to be oil this time. I live just down the road, and I have oil, but gas connections were put in by Firmus a couple of years ago. The connection is sitting outside.

Ms Ward: We can get into the specifics and have a look at that outside of today's session. The Housing Executive sits on the thematic subgroup, so it is aware of all the discussions that we are having about how we can attempt to reduce fuel poverty moving forward, taking into account the point about people's income and the price of oil and gas. It is part of all those discussions.

Mr F McCann: Those who have used the boiler replacement scheme sing its praises, but a huge section of people who live in poverty cannot tap into it. It does absolutely nothing for them. They cannot afford to top up to get the rest of the heating system put in. You need to target those people. Some homeowners cannot apply for grants to bring their houses up to a standard. They have broken heating systems, no insulation, poor ventilation and broken windows. Nothing is provided for them at all.

Ms Ward: You are going back to what the criteria should be to allow people to access the help that they need. As we said, on the warm homes scheme specifically, we are about to start work to consider what the right criteria should be, because the world has changed, the economy has changed and welfare reform will hit us. It is time to review those criteria, and that will be done as part of the new development of the scheme.

Mr F McCann: Deirdre, if the criteria exclude those who are most in need, the criteria are wrong.

Ms Ward: They have to change; you are right. That is the point.

The Chairperson: The point has been made. The criteria will be looked at. You are, rightly, putting on the agenda the type of criteria that you want to incorporate. Is that right?

Ms Austin: There is a myriad of schemes, including the warm homes scheme, the boiler replacement scheme and the Northern Ireland sustainable energy programme. A lot of stuff is going on. The Department is really only responsible for the warm homes scheme, and the Housing Executive is delivering something. Some work needs to be done on how that is done and who is not getting help. The devil is sometimes in the detail, and that is one of the key aspects that we have asked for in the action

plan. We need evidence. We have anecdotal information, and I know people who we cannot help, but that work needs to be done.

The Chairperson: No other members have indicated that they want to speak. Deirdre, Oliver or Pat, do you want to make any other key points?

Mr McHugh: The boiler replacement scheme has been successful in what it does, but people find it hard to get the top-up. In the affordable warmth scheme, we have included boiler replacement for the targeted group, so they will get a boiler replaced at no cost to them. We are testing that in Cookstown and Dungannon.

The Chairperson: You presented an extensive report to us, and the Department will come back on 5 December. I and all the members are getting a mixed message, and that is fair enough because people will dispute things and contend that something should go further or work faster than, for a variety of reasons, it does.

With fuel poverty, the Committee was attached to the idea that there should be a joined-up approach by all the relevant Departments and that they should work with the stakeholders in partnership and cooperation to get the best outcomes. We are mindful that some people had very good and legitimate ideas that, when further teased out, may not be the best way to go. That is the type of collaboration that we wanted to see through that joined-up approach.

Through Pat, we are hearing about frustration, legitimate or otherwise, that some of the suggestions are not necessarily being taken through to their conclusion, tested or moving fast enough. You probably need to do some kind of qualitative analysis of that or, in other words, a bit more work. We maybe need to get a session with the other Chairs, in fairness to other people who are involved in this, and the key stakeholders. We do not necessarily need to finalise an agreement on the next steps, but we could do a bit of work in conjunction with you and come back with a more qualitative way of reporting on this. Does that sound reasonable?

Ms Ward: Yes, that is fine.

The Chairperson: Are members happy enough that we take that approach?

Members indicated assent.

The Chairperson: I thank Deirdre, Pat and Oliver for being here this morning, dealing with members' questions and presenting your report. I look forward to seeing you in the not-too-distant future. Good luck with your ongoing work.