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Our ref SUB 0467 -2026
Date: 30 June 2026

From: The DALO

Ms Emer Boyle
Communities Committee Clerk
Room 410
Parliament Buildings
Ballymiscaw
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Belfast
BT4 3XX

Dear Emer,

The Home Heating Oil (Temporary Financial Assistance) Regulations (Northern Ireland) 2026

The First Minister and deputy First Minister, acting jointly, has designated the Department for Communities ("the Department") as the relevant Department under section 1(3)(a) of the Financial Assistance Act (Northern Ireland) 2009 on 24 June 2026.

The Department has prepared The Home Heating Oil (Temporary Financial Assistance) Regulations (Northern Ireland) 2026 ("the Regulations") in exercise of the powers conferred by sections 1(2), 3 and 4 of that Act. In accordance with section 1(4) of that Act, the Executive Office will be required to approve the making of the Regulations. The Statutory Rule (SR) is subject to negative resolution procedures.

Purpose of the Statutory Rule

The SR will provide the legal framework to deliver the Home Heating Oil Support Scheme, (“the Scheme”) which provides targeted financial assistance to households most affected by the unexpected sudden rise in heating oil prices.

The Scheme is financial assistance, distinct from the social security system and it is not intended to establish an ongoing entitlement or to alter baseline welfare provision. The Scheme is focused on households on low incomes or in receipt of specified benefits, and those reliant on heating oil as their primary source of heating.

The SR sets out the eligibility criteria, application process, delivery mechanism (via a prepaid card restricted to fuel purchases), and safeguards to prevent fraud and ensure appropriate use of public funds. The Scheme is temporary in nature and will operate within a defined timeframe, with applications not accepted after 31 March 2027.

If this SR is not introduced the Department will not be in a position to provide the support intended for the £17.2 million provided by the UK Government, and the additional £19.2 million input by agreement of the NI Executive on 16 April 2026; potentially, around 300,000 households throughout Northern Ireland will not receive the additional financial support to help manage rising oil prices since the conflict in Middle East began in February 2026.

Previous Engagement with Committee

Senior officials briefed the Committee during a closed session on 26 March 2026, and subsequently provided a more detailed briefing on 18 June 2026. There has also been written correspondence (SUB-0345-2026, SUB-0367-2026 and SUB-0449-2026 refer).

Further to the briefing by officials on 18 June, I can confirm that the list of qualifying benefits, used to determine eligibility to an award under the Scheme, has been extended to include persons in receipt of certain benefits which are deemed to overlap with the social security benefits, including those that are available to service personnel and veterans. This change has been reflected in the draft SR.

Financial Implications

In 2026/27, £17.2m of Resource funding is available to help NI households impacted as a result of the recent spike in oil prices. A further allocation of £19.2m Resource funding has been agreed by the Executive to enable a more meaningful voucher value for eligible households.

Consultation

As this Rule will provide financial assistance to the most vulnerable it is a positive measure. There is no requirement to consult on the proposed rule.

Compliance with Section 24 of the Northern Ireland Act 1998

The Department is content that the Rule complies with Section 24 of the Northern Ireland Act 1998.

It is anticipated that the Scheme will be compliant with Human Rights obligations as this policy is to help mitigate against the increasing cost households now face.

Consideration by the Executive

The Northern Ireland Executive was consulted and is supportive of the proposed Scheme, having approved additional funding on 16 April 2026.

Equality Impact

The Home Heating Oil (Temporary Financial Assistance) Regulations (Northern Ireland) 2026 are being made to mitigate the rising cost of home heating oil, ensuring assistance reaches those facing the most acute affordability pressures.

The Department does not expect there to be any adverse impact on people in any of the Section 75 categories. The policy changes are expected to have either a positive or neutral impact on people in Northern Ireland.

The Regulations will have no bearing in terms of its likely impact on equality of opportunity or good relations for people within the equality and good relations categories. The Department has concluded that the proposals would not have significant implications for equality of opportunity and considers that an Equality Impact Assessment is not necessary.

Regulatory Impact

A Regulatory Impact Assessment is not required as the proposals will have a minimal impact on business, charities, social economy enterprises or voluntary bodies.

Rural Needs Impact

Eligibility for the Home Heating Oil Support Scheme award is not dependent on whether someone lives in a rural area or an urban area. These Regulations will apply to all claimants meeting the required eligibility criteria. There are no adverse impacts linked to geographical location – impacts are expected to be either positive or neutral.

Data Protection Impact

There are no anticipated risks in relation to data protection; the Department will be utilising data sources that are already available via the social security infrastructure.

Position in Great Britain

On 18 March 2026, the Energy Secretary Gillian Martin MSP announced that the Scottish Government will supplement the £4.6 million that they were allocated by the UK Government with a further £5.4 million, more than doubling the level of support that is available in Scotland.

The Scottish Government supported scheme will be delivered through Advice Direct Scotland, and low-income households reliant on oil will be eligible. The Scottish provision will be significantly higher than the Northern Ireland scheme, with a £300 flat rate award with up to 2 discretionary awards within 6 months.

Those in Wales experiencing fuel poverty can receive support with purchasing off-grid fuel through the Discretionary Assistance Fund (DAF). The DAF enables anyone with an address in Wales and over the age of sixteen experiencing unexpected financial crisis to apply for a contribution towards their off-grid fuel costs.

With the funding provided, the Welsh Government immediately increased the amount of funding available for heating oil, temporarily raised to £750, from £500 while prices are inflated. The frequency that these payments can be provided, was also increased from once to twice in a rolling 12-month period, a minimum of 3 months apart. On 31 March 2026 the Welsh Government also announced that people on low incomes who use heating oil or liquid petroleum gas (LPG) will be eligible for a one-off £200 payment if they are on the Council Tax Reduction Scheme. This funding comes from £3.8 million allocated to Wales by the UK Government.

In England, the funding allocated will be distributed through established routes with local authorities via the Crisis and Resilience Fund, which came into effect on 1 April 2026, and replaced the temporary Household Support Fund which is not restricted to oil or energy support and is intended to support low-income households.

Proposed Timing of Consideration of SL1

The Department would welcome the Committee's co-operation to scrutinise the proposed Regulations within a minimally reduced timeframe.

In order to implement the Scheme in the Summer, it is anticipated that the Committee would approve the SR on or before their last Committee meeting on 02 July, before they break for their summer recess.

Officials have been working at pace, due to the unexpected emergency as a consequence of the conflict in the Middle East, developing a standalone Scheme including a bespoke policy and operational delivery mechanism. Consideration has been given to support available within other jurisdictions and simultaneous liaison with the Departmental Solicitors Office and legislative Counsel.

In light of these circumstances the Minister has made the following statement:
"***I am satisfied that ensuring the orderly making of this emergency legislation under the Financial Assistance Act gives rise to exceptional circumstances which require deviation from the normal process and timeframes set out in the Guidance for Departments on Delegated Legislation (SL1 Pre-Introductory Stage) (November 2025).***

I would be grateful if the Committee would agree to approve the SL1 in the requested shortened timeframe in light of these exceptional circumstances. It is my intention to make the SR which will enable the commencement of support to the financially vulnerable as early as possible."

Proposed Operational Date

It is proposed that the SR will come into operation during the Summer.

The draft of the proposed Statutory Rule and Explanatory Memorandum are attached, and you will wish to bring this matter to the attention of the Committee for Communities.

Yours sincerely,

Laura Coffey
Departmental Assembly Liaison Officer
Private Office

cc NI Human Rights Commission
Equality Commission
Grainia Long, Permanent Secretary
Cherrie Arnold, Work and Health Deputy Secretary
David Tarr
Conrad McConnell
Hayley Ward
Nicola Boyle
Annette McCormick
DfC Press Office
DfC Finance
DfC SSPLD
DfC Perm Sec Support

DfC Work and Health Dep Sec Support