

CASE STUDY – TOWARDS A FUEL POVERTY STRATEGY FOR NORTHERN IRELAND

Background

Fuel poverty is the situation in which a household cannot be heated adequately because of cost. It is caused by a combination of factors:

- The need for heat (influenced by lifestyle, household characteristics).
- Energy Efficiency (including heat production and retention).
- Income (the income of all household members, after tax).
- Fuel Costs (including electricity costs).

Each UK country contributed to the UK Fuel Poverty Strategy and each committed and agreed a definition of the problem and set targets to address it. In Northern Ireland, the Department for Social Development (DSD) made a commitment in the Programme for Government and the Secretary of State's document 'Building on Progress: Priorities and Plan 2003-06' to issue a Fuel Poverty Strategy during 2003/04.

Currently, a number of organisations address fuel poverty. Within DSD, the Northern Ireland Housing Executive (NIHE) has a programme to upgrade or replace old and ineffective heating appliances; the Warm Homes Scheme offers free heating and insulation to people who receive qualifying benefits; and the Social Security Agency pays out over £40m each year in winter fuel payments to older people. The Department of Health, Social Services and Public Safety (DHSSPS) has included action on fuel poverty in its public health document 'Investing for Health' and the Department of Enterprise, Trade and Investment (DETI) has addressed the issue in its Energy Strategy. The energy companies have incentives to reduce domestic consumption of energy, and there are a number of voluntary and community sector organisations that provide advice on ways to cut fuel costs.

Approach

Since Government in Northern Ireland had to date issued no fuel poverty-specific documents or determined a settled policy on the matter, it was decided that there should be a period of public consultation. This would allow all the interested parties to contribute to the development of the policy. The interested parties were identified as:

- The public sector – including DETI, DHSSPS, the Department of Finance and Personnel, social housing landlords, Health and Personal Social Services and regulatory bodies.
- The private sector – principally the energy suppliers and those involved in the heating industry.
- The voluntary and community sector – including organisations operating on a regional basis as well as locally aimed groups.
- The fuel poor – particularly those in vulnerable groups such as older people, people with a disability or long-term illness and families with young children.

Recognising that those groups varied in their capacity to consider and respond to the consultation process, DSD engaged National Energy Action (NI), the fuel poverty charity, to facilitate a participative consultation process. This process included presentation seminars and focus groups that are specifically tailored to the needs of each audience.

The consultation document drew together the relevant factors for the consideration of fuel poverty in the Northern Ireland context. It discussed the causes of the problem, paying particular attention to any areas in which NI differed from the rest of the UK, for example, in its relatively high energy costs. The document explored how the factors combined and interacted to produce fuel poverty, and it proposed a definition of the problem. It set out evidence of the extent of fuel poverty in Northern Ireland, drawing on the results of the 2001 Northern Ireland House Condition Survey, and it analysed these figures in a number of ways:

- By tenure;
- By household characteristic;
- By impact on vulnerable groups; and
- By location (urban/rural issues).

The paper described the work of a number of organisations that have an influence on fuel poverty and drew particular attention, through case studies, to the successes they had already achieved. It recorded the resources that each expended on this area.

Through a process of discussion with the key stakeholders, DSD determined that fuel poverty should be tackled in a collaborative way, and it therefore recommended a partnership approach led by DSD. Taking account of the experience of the other UK administrations, DSD has proposed a target to eliminate fuel poverty in vulnerable households by 2010, and in all households by 2016.

The main proposals for partnership working were:

- To enhance the role of the existing Fuel Poverty Partnership Group. This multi-sectoral group has agreed to monitor and report on progress towards the long-term goal of eradicating fuel poverty.
- Continued partnership with the NIHE, NI Electricity and Phoenix Natural Gas in the delivery of the Warm Homes Scheme.
- A commitment to project-led actions to assist specific groups.
- A commitment to work with the voluntary and community sector in identifying the people who suffer from fuel poverty, informing them of the options available, and providing practical help.

Outcomes

The consultation document was issued on 8 October 2003, and already the Department has received some positive comments. A number of individuals,

political parties and organisations have responded either directly or through the media:

- The SDLP, Sinn Fein and the NI Women's Coalition all released statements that broadly welcomed the initiative, but expressed deep concern at the level and effects of fuel poverty.
- The General Consumer Council for Northern Ireland called for a joint and concerted approach to tackling fuel poverty.
- National Energy Action, the NI Anti-Poverty Network and Help the Aged urged people who have experience of fuel poverty to make their views known during the consultation.
- The Northern Ireland Housing Executive welcomed the consultation and reiterated its commitment to continued investment.
- Health interests and individuals suggested that the energy efficiency grant schemes should be extended in scope.

Attention has focused on the impact of the cold (and by extension, fuel poverty) on older people, particularly in terms of cold-related illness and death. DSD's proposed partnership approach has been particularly welcomed, although initial comments have called for very firm and specific interim targets.

Lessons Learned

For this policy, the interaction of circumstances and stakeholders produced a complex picture that could only be fully understood following detailed discussions. There was a need to involve the stakeholders in an open and inclusive way, and this could only be achieved by near constant communication. The evidence base for the policy was vitally important.