

Warmer Healthier Homes: A Consultation Paper on a New Fuel Poverty Strategy for Northern Ireland

Comments by

Northern Ireland Environment Link

24 September 2010

Northern Ireland Environment Link (NIEL) is the networking and forum body for non-statutory organisations concerned with the environment of Northern Ireland. Its 58 Full Members represent over 90,000 individuals, 262 subsidiary groups, have an annual turnover of £70 million and manage over 314,000 acres of land. Members are involved in environmental issues of all types and at all levels from the local community to the global environment. NIEL brings together a wide range of knowledge, experience and expertise which can be used to help develop policy, practice and implementation across a wide range of environmental fields.

These comments are agreed by Members, but some members may be providing independent comments as well. If you would like to discuss these comments further we would be delighted to do so.

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General Comments

Northern Ireland Environment Link (NIEL) welcomes the opportunity to comment on the proposed new Fuel Poverty Strategy for Northern Ireland. We believe that the consultation exercise represents an opportunity for Northern Ireland to address many key issues in the area of energy efficiency and energy consumption. We believe that undertaking approved home insulation work and improving home heating technology are important first steps towards promoting energy efficiency and the reduction of household carbon emissions. We believe that the fuel poverty landscape has changed dramatically since the publication of the 2004 Fuel Poverty Strategy with rising fuel prices, the downturn in the economy and emerging evidence about climate change coming to the fore. The development of a new strategy therefore represents an opportunity for Northern Ireland to demonstrate sustainable development by delivering social policy in a way that also contributes to environmental sustainability. Like any new policy, we believe the new Fuel Poverty Strategy must be in line with the new Northern Ireland Sustainable Development Strategy and Implementation Plan and that the Executive's clear commitment to sustainable development as outlined in the Programme for Government must be strictly adhered to.

Consultation Issue 1: A fuel poverty index to better target resources

1.1 Do you have any evidence which you wish to submit as part of the examination of the current definition of fuel poverty? NIEL has no further comments to add at this time.

1.2 Do you agree with the development of a severity index? NIEL is content with the introduction of a severity index to ensure that available resources are targeted at the most vulnerable groups in our society.

1.3 Do you agree that resources should be targeted at vulnerable households first? Yes

1.4 Do you agree that a severity index should be used to assist in targeting the most vulnerable? Yes. With energy prices high and likely to increase further, we agree that available resources should be targeted in the first instance on those worst affected by fuel poverty.

Consultation Issue 2: Improving Energy Efficiency

2.1 Do you agree with a consolidation of the Fuel Poverty Strategy around the aim of improved energy efficiency? NIEL agrees with the consolidation of the Fuel Poverty Strategy around the aim of improved energy efficiency. This proposal represents an excellent opportunity to:

- Provide assistance to those suffering from fuel poverty in Northern Ireland and to those who struggle to pay their fuel bills by reducing their fuel needs. Households which undertake appropriate insulation measures are more likely to be able to escape from fuel poverty.
- Reduce Northern Ireland's carbon emissions through greater household energy efficiency achieved by the installation of loft/cavity insulation, etc. NIEL believes

that measures must be introduced to make all Northern Ireland's housing stock more energy efficient. DEFRA estimates that buildings are responsible for 54% of national carbon dioxide emissions, half of which is produced by residential property. Moreover, UK buildings account for 40-50% of the energy, water and resources consumed, and for a similar amount of the pollution created. To achieve sustainable housing we must improve our existing housing stock as well as strive to make new residential developments more sustainable. As well as providing an opportunity for householders to save hundreds of pounds on fuel bills each year, it is estimated that these energy efficiency measures could reduce household carbon emissions by up to one-third.

A decision to implement these proposals is also supported by the findings of the Continuous Household Survey Bulletin 2006/07. The bulletin reported that 81% of households were very concerned or fairly concerned about the environment in 2006-07. The most commonly cited environmental concerns were climate change (34%), household waste disposal (33%) and traffic exhaust fumes and urban smog (32%). It is worth noting that the proportion of households citing climate change as an important problem has increased significantly each year since 2003-04. Practical schemes such as this which help tackle climate change and improve quality of life must be encouraged and replicated.

Energy efficiency measures are the first steps that householders should take to reduce the buildings footprint. NIEL also strongly advocates the promotion and installation of renewable energy technologies, such as wood burning stoves, etc, when insulation, etc has been fully utilised.

2.2 Do you agree the Warm Homes Scheme should continue to be our main tool in tackling energy inefficiency in the owner occupied and private rented sector? NIEL agrees that the Warm Homes Scheme should remain the main tool in tackling energy inefficiency. While currently listed under the *Warm Homes Plus* measure, NIEL believes that the use of renewable technologies should be actively encouraged in all appropriate areas of the Scheme. Renewable technologies should therefore be considered as part of a holistic whole-house approach across the entire scheme not just the *hard to treat homes*. NIEL therefore endorses the view of the Fuel Poverty Advisory group that: *'A Warm Homes type scheme with significant funding should continue. There is scope to broaden criteria with a continued focus on Hard-to-Treat properties but also bringing in homes which have old and inefficient oil systems'*. We also support the proposal that all applicants and beneficiaries of the Scheme will receive advice on additional energy efficiency measures, such as on the better use of current appliances and the energy rating of domestic appliances.

2.3 Do you agree that the Warm Homes criteria should continue to be used? Yes

2.4 Do you agree that the Northern Ireland Housing Executive Heating Replacement Scheme is an effective tool in tackling energy inefficiency in our social housing stock? NIEL is supportive of the continuation of the Scheme but would advocate that the measures listed are accompanied by advice for those living in social housing on energy efficiency measures, such as on the better use of current appliances and the energy rating of domestic appliances. As an added measure NIEL would also support, where appropriate, the

introduction of a microgeneration requirement within our social housing stock which could further reduce Northern Ireland's dependency on expensive and damaging fossil fuels.

2.5 Do you agree that Cosy Homes is the most appropriate way of improving the energy efficiency of the existing Housing Association stock? While we support the continuation of the scheme we believe the scheme should promote the use of the most sustainable heating systems possible, for example solar, wind and wood burning technologies. As well as the environmental benefits of these technologies, householders should also achieve long-term financial savings on heating costs.

2.6 Are you in favour of a Boiler Replacement Scheme? NIEL is supportive of the introduction of a Boiler Replacement Scheme (BRS) as it will help with energy efficiency, carbon reduction, and enhancing the economy. Grant applicants and recipients should also receive advice on energy efficiency measures, such as on the better use of current appliances and the energy rating of domestic appliances.

2.7 Do you agree that the scheme should be targeted at boilers rated D or worse? Yes, and where feasible the most inefficient boilers replaced first.

2.8 Do you agree that the Boiler Replacement Scheme should be administered as a grant? It is NIEL's view that the BRS should be part of the Warm Homes Scheme. We believe a new 'stand alone' grant would incur considerable additional set-up and administration costs and this money should instead be put into measures within the BRS.

Given the level of infrastructure already in place for Warm Homes (e.g. telephone numbers, website, literature, qualified staff etc.), it would seem a logical approach to incorporate the BRS into Warm Homes. Unless an integrated approach is taken, customers qualifying for Warm Homes Insulation but requiring a boiler replacement would need to ring another number, have additional survey work carried out (in addition to the Warm Homes Survey), have additional checks on their home ownership, have their incomes checked again, and could, potentially have the boiler installed but not insulated as the insulation was already carried out as part of Warm Homes. For the administrative, financial and practicality reasons outlined above, NIEL believes the BRS must be part of Warm Homes if the BRS is to be operated in an efficient and effective manner.

2.9 Do you agree that, as in the Warm Homes Scheme, the Boiler Replacement Scheme should be available to people living in privately rented houses? As NIEL believes that measures need to be introduced to ensure our entire housing stock becomes more energy efficient, we believe the Scheme should be extended to the private rented sector.

2.10 If so, do you think landlords should make a contribution to the scheme? In order to maximise the use of the available financial resources, NIEL believes landlords should be required to make a financial contribution to the scheme. It is also appropriate that landlords contribute to the scheme as a more efficient boiler will help improve the energy rating certificate for their rental property and so make the property more attractive to potential tenants.

2.11 Do you agree that the Department should continue to aim towards Code 4 and 5 so that new social housing is built to the highest possible standard? Yes. Furthermore in addition to new social housing, NIEL believes that all new housing should be built to maximum energy efficiency standards as we believe many new houses are still being built to sub-optimal standards and will be heated and powered by ever more expensive fuels.

2.12 Do you agree that the Department should explore the feasibility of an equity release scheme which would allow homeowners to carry out energy efficiency improvements to their homes? As NIEL is supportive of all measures that will improve energy efficiency, we are content that DSD explore the feasibility of an equity release scheme for Northern Ireland.

2.13 Do you agree that the Department should work with the Department of Finance and Personnel, other departments and agencies to expand the use of the database of Energy Performance Certificates? NIEL welcomes this proposal and agrees that the compilation of this information into one central accessible database would assist in the development of future energy related policies and initiatives as well as the targeting of resources.

2.14 Do you agree with that the Department's approach to smart meters should prioritise safeguarding the vulnerable? NIEL agrees that priority should be given to safeguarding the vulnerable. We do however support the wider roll-out of smart metering as these meters can help encourage more energy efficient behaviour by providing real-time information (prompting the question "why am I using so much energy now?") and benchmarking ("why do I use more energy than the average/best practice examples given") on customer bills.

2.15 Are there any other duties which the Department should pursue in the smart meter domain? NIEL has no additional comments to make at this time.

2.16 Do you agree that the new powers will enable local authorities to produce action plans to improve domestic energy efficiency within their local area?

NIEL supports this proposal which clearly fits in with their existing responsibilities around improving air quality and sustainable development. As well as asking councils to be more proactive in developing and promoting energy efficiency measures, NIEL believes that councils should also take the lead in encouraging the development of community heating and local electricity generation in both new developments and existing communities. Some local authorities are highly active in renewable energy but this needs to be promoted and replicated across all councils through assistance in spreading best practice. The RPA needs to be implemented as a matter of urgency as one way to encourage more sustainable operations in all areas, including energy conservation and a shift to renewable energy. The uncertainty around the future structures is causing reluctance to act among councils who do not know their future structures, funding, etc.

Consultation Issue 3: Achieving Affordable Energy

3.1 Do you agree that the Department should continue with its Benefit Uptake campaign to assist households to increase incomes? Yes

3.2 Do you agree that the Department should promote oil stamp savings schemes as a good practice and work with partners to examine the feasibility of a national scheme?.

While NIEL is supportive of this proposal we believe it must be accompanied by a comprehensive energy saving advice programme as well as renewed efforts by the Northern Ireland Executive to fulfil their commitment in the PfG to develop the contribution of renewable energy to meeting our energy needs and reduction of our oil dependency.

3.3 Do you agree that the Department should maintain a watching brief on new green technologies, with a view to rapid uptake of proven cost effective technology?

NIEL believes that all Northern Ireland Government Departments should take a more proactive role in promoting new green technologies. While we acknowledge the Department's investment in renewable energy to date and the range of pilot projects it is undertaking, much remains to be done if at a wider level we are to help Northern Ireland meet climate change targets and its transition to a lower carbon economy. We believe the potential resources in Northern Ireland available for harvesting as renewable energy are large, and as the technology develops ever more of these potential resources are available if the support and appropriate promotion and encouragement are involved; sewage and slurries to produce biogas and biochar is just one area not yet being exploited nearly to the extent it could be with appropriate investment and encouragement which would also help address waste management issues.

3.4 Do you agree that the Department should continue to work with partners including the Utility Regulator and Department of Enterprise, Trade and Industry to explore options for the possible introduction of a social tariff? Yes

Consultation Issue 4: Consolidating Partnerships

4.1 As the Department for Social Development has responsibility for the domestic energy efficiency, which is only one component of the fuel poverty equation, do you agree with the emphasis on a partnership approach to tackling all aspects of fuel poverty? NIEL believes that just as no one Government department can tackle sustainable development or climate change on its own, the same applies to the alleviation of fuel poverty. NIEL therefore endorses DSD's commitment to work with other departments, the energy sector and the NGO sector to tackle fuel poverty.

4.2 Do you agree that the types of partnership listed above encompass the most important ones? In addition to those partnerships listed, NIEL would also suggest a wider Renewable Energy Working group involving central and local government, the voluntary sector and business could be very useful in taking the issue forward.

4.3 Do you agree that the Department should maintain an active monitoring, evaluation, and research programme to support the development of best practice in the delivery of Strategy? Yes. NIEL believes an active monitoring, evaluation and research programme is essential if DSD is to accurately assess the effectiveness of the Fuel Poverty Strategy and the on-going incorporation of best practice.

4.4 Do you agree that the Department should support housing providers to broker energy at a competitive rate for their tenants? Yes – in addition to the range of energy efficiency measures outlined above.

4.5 Do you agree that the Department should pilot an area based approach to energy efficiency improvements? While not opposed to the piloting of an area based strategy, NIEL believes that the lessons learned from the Kirklees model may lessen the need for DSD to undertake its own study. Should sufficient funds be available NIEL would welcome the introduction of an area based approach to energy efficiency improvements across Northern Ireland. In the meantime to such funds are available and the results of the Kirklees approach known, we agree that resources should continue to be targeted at the most vulnerable people in our society.