



Social Action Plan Decision Paper

2009 – 2012

August 2009

1. Introduction

- 1.1 In January 2009 the Northern Ireland Authority for Utility Regulation (the Utility Regulator) published a consultation document entitled “The Utility Regulator’s Social Action Plan 2009-2014”. Preparation of the consultation document was informed by pre-consultation meetings with a number of key stakeholders and government departments as well as customer research commissioned jointly with the Consumer Council for Northern Ireland. The consultation ended in March 2009 and 29 responses were received. A list of those who responded is attached in Annex 1 and their responses are published in full on our web site www.niaur.gov.uk.
- 1.2 Following the end of the consultation period, in response to comments received, the Utility Regulator held a workshop on 1 June 2009 to raise awareness of the services provided by the utility companies to improve access to utility services for vulnerable groups. The workshop also provided an opportunity for further feedback on how these services could be improved. Attendees at the workshop included representatives from a range of voluntary and community organisations as well as from several Section 75 groups. A list of those who attended this workshop is attached in Annex 2.
- 1.3 The aim of the pre-consultation, consultation and workshop was to gather views, from as wide a range of stakeholders as possible, on how best the Utility Regulator can contribute to social development and ensure that utility services are meeting the needs of all customer groups.
- 1.4 This decision paper considers all the information and views gathered throughout the consultation process and sets out the Utility Regulator’s response along with an action plan for taking the work forward. The paper is set out as follows:

Chapter 2: Context

Chapter 3: Strategic intent and action plan

Chapter 4: What the consultation said and the Utility Regulator’s response to the key issues raised.

2. Context

- 2.1 The current world-wide economic down turn means that it is more important than ever that we take a co-ordinated and targeted approach to those in our society who are most vulnerable. On 1 April 2007 the Utility Regulator became the first organization in the UK to take responsibility for the regulation of water, gas and electricity. This cross-cutting remit represents a unique opportunity for a single organisation to bring forward a co-ordinated strategy for the protection of vulnerable utility customers in the provision of these essential services.
- 2.2 Whilst the Utility Regulator takes forward all its work within the context of social, environmental and economic sustainability, the Social Action Plan that is presented in this document concentrates on the social element of our work. The Social Action Plan co-ordinates all the actions to be taken by the Utility Regulator to protect vulnerable customers but is mindful of the need to take account of the differences between the energy and water industries. This Social Action Plan, which covers a three year period, should be viewed as one of the element's of our overall Corporate Strategy.
- 2.3 The Utility Regulator's Social Action Plan consultation document began by examining progress on two fronts:
- Equal access to utility services for vulnerable groups such as those who are disabled or chronically ill, who face language barriers or who may be vulnerable due to their age, rural location, or other reason.
 - Financial insecurity.
- 2.4 The Utility Regulator monitors activity and ensures that the utility suppliers comply with their licence provisions and codes of practice in relation to providing services to improve access to utility services for all customer groups. The codes of practice operated by the utility companies are listed in Annex 3 and are available to download from the respective company's website. The consultation document highlighted that, overall, there is a reasonable provision of these services, with all the utility suppliers offering a wide range of methods to help potentially vulnerable customers. However, it did identify some areas for improvement and the customer research found that awareness of the services on offer is poor.

- 2.5 In relation to financial insecurity, the Utility Regulator's consultation document began with a discussion on the nature of and the accepted definitions of fuel and water poverty within the Northern Ireland context. Fuel Poverty is higher in Northern Ireland than any other region of the UK, estimated by the Home Energy Conservation Authority Report 2007 to be in the region of 34%. However due to a number of factors, including the economic down turn, it is widely accepted that the proportion of households experiencing fuel poverty is in excess of this figure. The issue of water poverty is not currently significant in Northern Ireland as domestic customers do not pay water and sewerage charges at present.
- 2.6 The consultation document went on to explain how the work of the Utility Regulator contributes to improving the efficiency and reducing the costs of utility services thereby contributing to the reduction of financial vulnerability for customers. The Utility Regulator, through its monitoring of licence provisions and codes of practice, ensures that utility suppliers take steps to help customers avoid debt and manage their way out of debt.
- 2.7 The consultation document included ten questions for respondents to consider relating to satisfaction with current measures to address the provision of equal access to services and to address financial vulnerability and asking for suggestions on how these measures could be improved. A Forward Work Plan was also presented for comment with proposed activities categorized under five themes:
- reducing financial vulnerability with regard to energy services;
 - providing special services for those that need it;
 - improving energy efficiency and water efficiency;
 - working with others; and
 - raising awareness of how and where help is available for vulnerable customers.

The Forward Work Plan set out in the consultation document is included for reference in Annex 4.

3. Strategic Intent and Action Plan

3.1 The Utility Regulator is a non-Ministerial Government Department set up to protect customers by ensuring that the water, natural gas and electricity industries in Northern Ireland are regulated and developed within the parameters set out by the relevant legislation.

3.2 At the heart of our duties and functions is the protection of the interests of water, sewerage, gas and electricity consumers in Northern Ireland, both present and future. We aspire to the following mission, vision and values:

Mission: Value and sustainability in energy and water;

Vision: We will make a difference for customers by listening, innovating and leading;

Values: Be a best practice regulator: transparent, consistent, proportional, accountable and targeted;

Be a united team: one team, one mission;

Be collaborative and co-operative;

Be professional;

Listen and Explain;

Make a difference;

Act with integrity.

3.3 Our strategic intent is to ensure that Northern Ireland's gas, electricity and water industries are developed in a financially, socially and environmentally sustainable fashion. This will ensure that we are fulfilling our role in ensuring that gas, water and electricity consumers are protected, both for today and in the future. The Utility Regulator published a five-year Corporate Strategy in April 2009 (www.niaur.gov.uk/uploads/publications/Corporate_Strategy_2009-14.pdf), and one of the strategic priorities reflected in the Corporate Strategy is the protection of vulnerable customers. We committed ourselves to developing a Social Action Plan to address this priority.

3.4 We have developed our three-year Social Action Plan bearing in mind the issues of financial vulnerability (which is currently a significant issue only for the energy

sector) and access to utility services. It should be noted that these factors are embedded in our thinking not only as part of our social action plan, but also as part of our everyday work. Core functions of the Utility Regulator include activities which contribute to the work on reducing financial vulnerability, for instance: regulating energy suppliers through price controls to ensure that only efficient costs are passed through to customers; promoting competition in the energy markets and encouraging more efficient use of energy and water. Through licence provisions, the Utility Regulator obliges utility suppliers to put processes in place to assist customers in difficulties and to provide services for vulnerable customers to ensure that they have equal access to services. The Utility Regulator monitors compliance with these licence conditions on an ongoing basis.

3.5 Within the consultation document we proposed a forward work plan on social action for the Utility Regulator. Most respondents were broadly supportive of the activities set out in the work plan but a number of additional actions were suggested including those listed below:

- Further work on developing definitions of vulnerability;
- Raising awareness of access provisions and arrangements for helping customers in financial difficulties;
- Further work on best practice standards and codes of practice;
- Further work on accessibility of payment methods;
- Ongoing engagement with organisations representing vulnerable customers including Section 75 groups;
- Helping to develop communication channels between customers, advice agencies/workers and utility providers.
- Establishing a monitoring and evaluation framework for the Social Action Plan to include a set of key performance indicators.

3.6 Taking into account our available resources, our statutory remit, the responses to the consultation and our original proposed work plan, the Utility Regulator has revised its Forward Work Plan for Social Action 2009-2012, Table 1, to include where appropriate the addition of actions listed above. Year 2 and Year 3 actions in Table 1 will be reviewed again in the context of producing an overall Forward Work Plan for the Utility Regulator for 2010/11 and 2011/12. A full review of the Social Action Plan is intended to be undertaken in 2011/12.

Table 1: Forward Work Plan for Social Action 2009 – 2012

Action	Lead	Year 1 - 2009/10	Year 2 - 2010/11	Year 3 - 2011/12
1. Reducing Financial Insecurity				
Market Redesign	E/G	<ul style="list-style-type: none"> Monitor SEM Work on CAG, as per published work plan 	<ul style="list-style-type: none"> Monitor SEM Work on CAG, as per published work plan 	<ul style="list-style-type: none"> Monitor SEM Work on CAG, as per published work plan
Corporate Refinancing	E/G	<ul style="list-style-type: none"> Review the benefits and current operation of the mutualisation model 	<ul style="list-style-type: none"> Consider the roll-out of the mutualisation model 	<ul style="list-style-type: none"> If appropriate implement roll-out.
Encouraging Retail Competition	R	<ul style="list-style-type: none"> See UR's Forward Work Programme 2009-2010 	<ul style="list-style-type: none"> See UR's Forward Work Programme 2010-2011 	<ul style="list-style-type: none"> See UR's Forward Work Programme 2011-2012
Price Controls	E/G/W	<ul style="list-style-type: none"> See UR's Forward Work Programme 2009-2010 	<ul style="list-style-type: none"> See UR's Forward Work Programme 2010-2011 	<ul style="list-style-type: none"> See UR's Forward Work Programme 2011-2012
Metering	E/G	<ul style="list-style-type: none"> Consultation on review of gas pre-payment limit Review current position of technology trials in ROI and UK Consider accessibility issues 	<ul style="list-style-type: none"> Implementation, if appropriate Develop technical trial proposals for NI 	<ul style="list-style-type: none"> Implementation, if appropriate Complete cost-benefit work on smart meters
Social Tariffs	R	<ul style="list-style-type: none"> Scoping and options analysis paper to be consulted upon 	<ul style="list-style-type: none"> Subject to Government decision, implement policy, as appropriate 	<ul style="list-style-type: none"> Policy implementation, if appropriate
Growing the Gas Network	G	<ul style="list-style-type: none"> Ongoing 	<ul style="list-style-type: none"> Ongoing 	<ul style="list-style-type: none"> Ongoing
Debt	C	<ul style="list-style-type: none"> Set up working 	<ul style="list-style-type: none"> Report on 	<ul style="list-style-type: none"> Monitor

Action	Lead	Year 1 - 2009/10	Year 2 - 2010/11	Year 3 - 2011/12
Management Policies		<ul style="list-style-type: none"> group to develop Code of Practice on helping customers to avoid debt and to manage their way out of debt. debt. Set out terms of reference and work plan for project. 	<ul style="list-style-type: none"> progress Get voluntary agreement from utility suppliers If appropriate implement changes. 	compliance with code of practice
2. Equal Access to Utility Services for Vulnerable Groups				
Best Practice Standards	E/G/W/R	<ul style="list-style-type: none"> Compile best practice guidelines on access issues for utility services To include provision of information in alternative formats and languages 	<ul style="list-style-type: none"> Planned review of Guaranteed Standards of Service to take rural access issues into consideration Access issues for gas customers considered Guaranteed Standards of Service for Gas to be considered in line with DETI legislative timetable. 	<ul style="list-style-type: none"> Implement changes as appropriate
Codes of Practice on Customer Care	E/G/W	<ul style="list-style-type: none"> Review Codes of Practice (CoPs) for customer care to ensure they represent best practice: UR approved NIW's first CoP's in Jan. 2008. NIW Licence sets a review period of 	<ul style="list-style-type: none"> NIW CoPs will be reviewed in consultation with CCNI Initiate review of current arrangements in place for Gas and consider the development of and harmonizing codes of practice for Gas 	<ul style="list-style-type: none"> NIW CoPs will be reviewed again in 2012/13 Implement changes as appropriate

Action	Lead	Year 1 - 2009/10	Year 2 - 2010/11	Year 3 - 2011/12
		<ul style="list-style-type: none"> between 1 and 3 years ▪ Review application of current codes of practice for electricity suppliers 		
Awareness Raising re. Access Provisions	C/R	<ul style="list-style-type: none"> ▪ Ongoing communication and engagement with representatives of vulnerable groups in partnership with utility suppliers and CCNI 	<ul style="list-style-type: none"> ▪ Ongoing 	<ul style="list-style-type: none"> ▪ Ongoing
Monitoring Licence Compliance	E/G/W	<ul style="list-style-type: none"> ▪ Monitor and ensure compliance with licences and codes of practice 	<ul style="list-style-type: none"> ▪ Monitor and ensure compliance with licences and codes of practice 	<ul style="list-style-type: none"> ▪ Monitor and ensure compliance with licences and codes of practice
3. Energy and Water Efficiency				
Energy Efficiency Levy Programme	C	<ul style="list-style-type: none"> ▪ Decision paper issued on future of EEL in early 2009 ▪ Revised EEL (NISEP) implementation to begin 	<ul style="list-style-type: none"> ▪ NISEP implemented 	<ul style="list-style-type: none"> ▪ NISEP implemented
Water Efficiency	W	<ul style="list-style-type: none"> ▪ Monitor compliance of NI Water's duty to promote water efficiency ▪ Monitor progress against leakage targets 	<ul style="list-style-type: none"> ▪ Monitor compliance of NI Water's duty to promote water efficiency ▪ Monitor progress against leakage targets 	<ul style="list-style-type: none"> ▪ Monitor compliance of NI Water's duty to promote water efficiency ▪ Monitor progress against leakage targets
4. Working with Others				

Action	Lead	Year 1 - 2009/10	Year 2 - 2010/11	Year 3 - 2011/12
Consultation and Engagement with Stakeholders	All	<ul style="list-style-type: none"> Add representatives of vulnerable groups including S75 groups, to consultee lists Host workshops/ meetings on specific social action issues as appropriate 	<ul style="list-style-type: none"> Ongoing 	<ul style="list-style-type: none"> Ongoing
Communication and Information	All	<ul style="list-style-type: none"> Promote development of better communication channels between voluntary and S75 groups, advice sector and utility suppliers 	<ul style="list-style-type: none"> Ongoing 	<ul style="list-style-type: none"> Ongoing
Partnership Working	C	<ul style="list-style-type: none"> Continue to work with established groups such as NI Fuel Poverty Advisory Group and the Home Energy Conservation Authority (HECA) Panel 	<ul style="list-style-type: none"> Ongoing 	<ul style="list-style-type: none"> Ongoing
5. Monitoring and Review of Social Action Plan				
Further Research	C	<ul style="list-style-type: none"> Set up an academic panel of experts which will enhance research opportunities on issues relevant to the Utility Regulator's work Further research 	<ul style="list-style-type: none"> Further research 	<ul style="list-style-type: none"> Further research

Action	Lead	Year 1 - 2009/10	Year 2 - 2010/11	Year 3 - 2011/12
		on financial vulnerability to inform code of practice on management of debt		
Review of Best practice	All	▪ Keep abreast of new developments in other jurisdictions	▪ Ongoing	▪ Ongoing
Monitoring and Evaluation.	C	▪ Set up framework to monitor and evaluate success of Social Action Plan	▪ Ongoing monitoring and evaluation	▪ Ongoing monitoring and evaluation ▪ Work with key stakeholders to identify data available and gaps in data
Review of Social Action Plan	C	▪ Ongoing evaluation	▪ Ongoing evaluation	▪ SAP to be reviewed

KEY: E = Electricity, G = Gas, W = Water, R = Retail, C = Corporate Affairs, SEM = Single Electricity Market, CAG = Common Arrangements for Gas, UR = Utility Regulator, CCNI = Consumer Council for Northern Ireland.

3.7 Other ideas for work to be taken forward, proposed by respondents to the consultation, are not individually listed in Table 1 but this does not necessarily mean that they are not worthy of further consideration. Some of the suggestions put forward by consultees are outside the remit of the Utility Regulator and it may be more appropriate for other agencies to take them forward. Where appropriate, we will raise these issues with our partner organisations. Other suggestions are not specifically mentioned but are included within an action which is already identified. Further detail on our response to suggestions put forward by consultees and our proposed actions are included in the next chapter where the individual consultation questions are discussed.

3.8 Within the Social Action Plan consultation document we noted a number of ideas which are outside the statutory remit of the Utility Regulator. For example, the discussion included ideas on the regulation of home heating oil, the promotion of

micro-generation and heat technology and the potential for bulk buying/brokering energy supplies for households. We do not intend to reiterate those ideas here, however, we retain our commitment to working with others to share our expertise and provide advice as appropriate.

4. What the Consultation Said and the Utility Regulator's Response to the Key Issues Raised

- 4.1 In addition to proposing the Utility Regulator's work plan on social action, the consultation document asked a number of questions relating to the discussion within the paper on various issues. Table 2, below, summarises the key points made by respondents to each of the consultation questions and sets out the Utility Regulator's response to those points.

Table 2: Summary of Responses to the Social Action Plan Consultation

Question 1: Respondents are asked to comment on the impact of this paper with regard to equality of opportunity and good relations.
<p><u>Key Points Raised</u></p> <p>Most respondents commented on the importance of having due regard to Section 75 groups and protecting vulnerable customers when developing policy, particularly with regard to fuel and water poverty. Six respondents were of the view that a full equality impact assessment should be carried out on the Social Action Plan to ensure full engagement with all the Section 75 groups and to ensure that all impacts were considered. A few respondents commented that there could have been more discussion within the consultation paper of the effects of fuel poverty on children and adolescents in particular but also on women and people with dependants. The availability of information, including bills, in accessible formats and other languages was considered important and one respondent highlighted that the development of new technology must consider the needs of disabled customers throughout the process of design, testing and implementation. Overall however, respondents thought that the development of a Social Action Plan was a positive step in the promotion of equality of opportunity.</p>
<p><u>Utility Regulator's Response</u></p> <p>During the consultation process for the Social Action Plan the Utility Regulator has attempted to gain as much feedback as possible from groups representing vulnerable customers, including the Section 75 groups. For the pre-consultation phase the Utility Regulator engaged with a number of umbrella groups and key stakeholders as well as conducting customer research in partnership with the Consumer Council. Information gathered during this phase was used in the development of the consultation document.</p>

We attempted to ensure that the consultation document reached as wide an audience as possible by publishing the document on our web site and forwarding it to over 200 individuals and organisations.

Following the consultation phase we held a workshop, specifically on the access provisions made available by the utility companies, which was targeted at voluntary and community groups, Section 75 representatives and advice organisations. Invitations were sent to the full consultee list and the workshop was advertised on NICVA's community portal website www.communityni.org. The purpose of the workshop was two-fold: to immediately start the process of raising awareness of these services, in response to comments received from the consultation, and also to provide further opportunity to gain feedback on how these services could be improved.

The Utility Regulator has carried out Section 75 screening on the Social Action Plan and has found that overall the impacts are positive given that the purpose of the document is to ensure that the utility companies are meeting the needs of vulnerable customers, including the Section 75 groups. We have decided that it is not necessary to carry out a full equality impact assessment on the plan itself but individual elements of the plan may be subject to Section 75 screening and decisions on the need for full equality impact assessment will be taken on a case by case basis. We will bear in mind the needs of different groups, using the invaluable information gained during the consultation, as we take this work forward and will ensure ongoing engagement with representatives of Section 75 groups.

Question 2: Respondents are asked their views as to whether we have considered all the characteristics that may contribute to or intensify vulnerability.

Key Points Raised

Table 1 within the text of the consultation document (included for reference in Annex 5) tried to define the profile of a vulnerable customer, using a concept of characteristics and intensifiers of vulnerability, to assist policy makers in targeting help where it is most needed. The majority of respondents were not satisfied that this Table considered all the characteristics that may contribute to or intensify vulnerability and many did not see the value in the distinction between characteristics and intensifiers. A minority did however state that they found the classification in Table 1 useful. There was particular opposition to the suggestion that age was an 'intensifier' rather than a core 'characteristic' of vulnerability. Most respondents felt that more work was needed on developing a workable definition of vulnerability that would ensure that resources were better targeted at those most in need. One respondent pointed out that there was some confusion over a definition of vulnerability in terms of access to services and in terms of financial vulnerability. Most of the comments received in response to this question

referred to the issue of financial vulnerability and there were particular concerns about the need to consider low income as a key factor in determining vulnerability and the need to ensure that working low-income households were included in any initiatives. A few respondents identified an important additional intensifier that was not considered in the consultation paper which is the energy efficiency of dwellings.

Utility Regulator's Response

The Utility Regulator's working definition of vulnerability is as follows:

"the Utility Regulator will assume that a customer may be vulnerable if for reasons of age, health, disability, ethnic background or severe financial insecurity they are unable to safeguard their personal welfare or the personal welfare of other members of their household."

It is not the Utility Regulator's intent to reject this definition, but rather to further refine it so that it can be of more use in targeting resources. The Utility Regulator would like to reassure those who responded to the consultation that it is not our intent to "down grade" any of the groups for whom we must have due regard nor it is our intent to remove any provisions already in place. However, it is self evident that the current definition of "fuel poverty", using the 10% of income marker, which now includes at least 34% of households in Northern Ireland, does not assist those attempting to target scarce resources at those most in need. This is because it would be extremely difficult, if not impossible, to find enough resources to provide meaningful assistance to all households which meet the definition of fuel poverty and also because the definition does not lend itself well to the accurate and manageable identification of those most in need. We are mindful of the targeting work undertaken by the Fuel Poverty Task Force and will take into consideration any future developments.

Having considered the responses to the consultation the Utility Regulator considers that there is merit in having two separate definitions of vulnerability i.e. for access to services and for financial vulnerability. Therefore the Utility Regulator proposes the following:

Vulnerability in relation to access to services - this should include all customers who require adjustments to services in order to remove any barriers which may prevent equal access to the full range of services on offer. This would include the following groups:

- Age – to include older people and young people and children;
- Disability (as per the Disability Discrimination Act definition, this will include learning disability and mental illness as well as physical disability) or chronic illness;
- Minority ethnic background;
- Rurality.

The Utility Regulator will work to ensure that billing and metering services, payment methods, debt and disconnection policies, emergency procedures and all other utility services and procedures have due regard for the ability of these groups to have access to services that meet their needs.

Financial Vulnerability - the Utility Regulator considers that the main determinant of financial vulnerability is income. Therefore for the purpose of targeting scarce resources the only indicator of financial vulnerability will be income. However, the Utility Regulator considers that where certain other factors are in place, the affect of this financial vulnerability is intensified on the people within the household. Therefore the following criteria will be considered intensifying characteristics for financial vulnerability:

- Age - to include older people and young people (under 16) and children ;
- Disability or chronic illness;
- Rurality.
- SAP rating of property

The reasons why these criteria are being considered as intensifying characteristics are set out in Annex 6. When working on the targeting of help to the financially vulnerable, the Utility Regulator will firstly consider low income and then use the other characteristics to identify priority groups.

Question 3: Respondents are asked to what extent they believe critical care provision could be improved. In particular respondents are asked to what extent similar emergency provisions in the event of a disruption to supply are required for gas. In responding, it would be useful if specific improvements could be detailed and in particular details of medical conditions or life saving medical equipment that require a constant supply of gas could be given.

Key Points Raised

This question referred to the critical care services operated by both NIE plc and NI Water ensuring that customers with specific medical needs are given reconnection priority in the event of a disruption to service or, if necessary, arrangements are made for an alternative supply. In general, respondents were happy with the critical care services that were provided but many thought that steps should be taken to raise awareness of their existence and actively target those in need of such services. It was suggested that voluntary and community organisations could help with promoting these critical care services and other special services and help to identify isolated vulnerable people who would benefit most from the schemes. One respondent suggested that a central register of customers with special requirements should be kept for use across the utility companies to save these customers from having to fill in separate forms and apply to various organisations.

Many respondents felt that a critical care service should be provided by the gas companies particularly in relation to customers with medical conditions/long-term illnesses that are made worse by the cold. Consultation with clinicians and health and social care staff was recommended to help identify the range of conditions but also ways of targeting those in need. However, it was advised that provision of the critical care service to a customer should be assessed on individual circumstances rather than by specifying a list of qualifying medical conditions.

One respondent said that there was a need to ensure that customers on a critical care register were not disconnected for non-payment of bills until all options had been exhausted while another respondent went as far as to say that consideration should be given to ensuring that the policy of no domestic disconnections, as with NI Water, should be extended to gas and electricity companies. (Note: NIE Energy has a policy of no domestic disconnections but this is a voluntary measure and is not contained within the licence.) Other comments made by respondents to this question included:

- Development of a temperature alert system for people with health problems needed;
- Categories within licences with regard to special provisions should include children and infants given potential ill health effects;
- Targets should be set for special services and impacts monitored;
- Must be the same access provisions across utility companies so that customers with a disability have the same choice of service as other customers.

Additional comments made at the stakeholder workshop held on 1 June 2009 were that:

- There needs to be flexibility regarding who can apply for these access provisions as being too prescriptive with vulnerability criteria could result in some customers who need the services being ruled out;
- Access to critical care and other customer care services should not be dependent on the vulnerable person living alone;
- Information and bills should be made available in different formats and languages as requested, regardless of there being another adult in the house who can read the standard format;
- Hearing impaired customers need to be given an exact time for a member of utilities staff to call at their house;
- ID passes should be in large print.

Utility Regulator's Response

As stated above, the Utility Regulator has already taken action on raising awareness of the critical care services by organizing a workshop to discuss these services and other access provisions. At the workshop each of the five utility companies currently providing services to domestic households i.e. NI Water, firmus energy, Phoenix Natural

Gas, NIE plc and NIE Energy Supply, all presented details of their critical care and other customer care services. The presentation slides are available to download from the publication section of our website (www.niaur.gov.uk). The target audience for the workshop was representatives of vulnerable / Section 75 groups and advice workers and, as can be seen in Annex 2, a wide range of organisations as well as individuals attended the event. The workshop proved to be a very useful event for the Utility Regular and feedback from both the utility companies and attendees was very favourable.

The Utility Regulator regularly reviews the codes of practice on customer care developed by each of the utility companies as a licence requirement. The codes of practice, most of which are available from the websites of the individual companies, are listed in Annex 6 along with the date of their next review. The Utility Regulator will work with the utility companies to ensure that their codes of practice represent the provision of best practice services and will take into account the comments and recommendations received through the consultation process when considering how these services could be improved. This work will also encompass reviewing the eligibility criteria used by utility services to ensure that customers who need these services are able to get access to them.

Whilst the Utility Regulator would support the idea of a central register of critical care customers for use by all the utility companies, setting up and maintaining such a register would be outside our remit. There would be also be data protection issues and issues around keeping the register up to date that would need to be overcome before such a register could be set-up.

Question 4: Respondents are asked to comment on whether they believe all customers have sufficient access to different payment methods offered by the utility suppliers. Respondents should list the barriers they perceive as preventing some vulnerable customers from accessing all payment methods.

Key Points Raised

Whilst it was acknowledged that there was generally a good range of payment options offered by the energy companies, almost 75% of respondents to the question felt that not all customers had equal access to the different payment methods. A particular barrier mentioned by most respondents was that many customers do not have a bank account that facilitates direct debit payments and therefore they do not have access to the cheapest tariff which is payment by direct debit. These customers who do not have access to direct debit payments are likely to be the most vulnerable to fuel poverty and therefore it was felt that they were being further disadvantaged by not having access to

the cheapest payment option. It was also pointed out that tenants in private rented accommodation may have no choice but to use pre-payment meters installed by landlords.

Several respondents thought that there should be a discount for paying by cash and on time. It was stated that many older people still prefer to pay their bills by cash. The frequency of bills, quarterly or yearly, was said by a few respondents to cause budgeting problems for some customers. In particular the annual meter reading method used by Phoenix Gas could cause financial difficulties for some customers if they were required to pay a large amount of arrears due to an underestimation of their gas consumption.

It was acknowledged by many respondents that the use of pre-payment meters suits many customers and can help them to budget their energy costs but it was pointed out that they do not suit every type of customer. Customers with physical or mental health problems could have difficulty using a pre-payment meter and customers with chronic ill-health may be unable to go out to purchase top-up credit. Debt recovery practices using a pre-payment meter were also seen by several respondents as needing investigation and review. Case studies were submitted by respondents from the advice sector to illustrate how debt recovery practices could mean that some customers were required to pay as much as 70% towards arrears. The problems that this high level of debt recovery caused for these customers were highlighted.

Respondents also thought that steps should be taken to raise awareness of the different payment options available.

Utility Regulator's Response

In general, the costs of the different payment options reflect the administration costs for the energy companies and that is why the direct debit tariff is the cheapest. To reduce the tariffs for any other payment method to the same level as the direct debit tariff will mean that there will have to be some sort of cross-subsidy i.e. one group of customers paying more so that another group can pay less. In Northern Ireland the tariff for pre-payment customers is not charged a premium (and in the case of NIE Energy Supply is discounted) and represents good value in comparison to the rest of the GB where pre-payment customers are charged a premium tariff. The Utility Regulator is currently taking forward work on the issue of social tariffs i.e. vulnerable customers paying a low tariff, on behalf of the Fuel Poverty Task Force and intends to bring forward a scoping paper on the appropriateness of social tariffs in the Northern Ireland context, how they might work in practice and who should benefit from them. We await the outcome of this work before considering the different tariff rates any further, however, the issue of accessibility to different payment methods will be further considered under our workstream on helping customers to avoid debt and manage their way out of debt. This work will include consideration of the access issues raised in relation to the use of pre-

payment meters and also the review of debt recovery practices.

With regard to the frequency of billing and meter reading, DETI (the Department of Enterprise, Trade and Development) have recently undertaken a consultation on energy billing and metering. DETI's consultation did recognise that vulnerable customers need to be taken into account as metering technology advances, and indeed posed a question as to the safeguards that might be needed to protect vulnerable customers as technology develops. As a result of this consultation DETI have brought in legislation which will require gas and electricity suppliers to provide historic information on their bills. We await further recommendations from this consultation in respect of smart metering.

The consultation responses included a number of case studies highlighting examples of the problems caused by some of the current practices and the issues raised will be taken into account when reviewing codes of practice and taking forward the work on debt management.

Question 5: Respondents are asked to consider what measures, if any, need to be taken to ensure that pre-payment customers benefit equally from the introduction of retail competition in Northern Ireland.

Key Points Raised

In response to the question about what measures needed to be taken to ensure pre-payment customers benefit equally from the introduction of retail competition in Northern Ireland, most respondents said that pre-payment customers should be given the same opportunity to switch to another supplier as other customers. This would mean ensuring that pre-payment meters were provided by all utility companies as a payment option and also that pre-payment tariffs were not charged at a premium. Debt recovery and disconnection policies should be consistent and best practice accessibility standards should be required for all suppliers in the provision of services for disabled and other groups of vulnerable customers.

Utility Regulator's Response

As we work to facilitate fuller energy retail competition in Northern Ireland, the Utility Regulator will be monitoring the development of the market to seek to ensure that competition delivers benefits to all customers and not just selected customer categories. What this means in practice will only become clearer when we see the fuller picture of how domestic retail competition emerges, the numbers of suppliers involved, their marketing and customer targeting strategies, the extent to which certain customer groups (e.g. prepayment customers) benefit from competition or are seen to be not

benefiting, etc. The Utility Regulator has a number of options in the future (e.g. licence conditions, codes of practice, anti-discrimination requirements), should they be needed to ensure that all customers can benefit from competitive forces and customers pay fair and cost reflective prices.

Question 6: Respondents are asked to comment on the merits of a harmonized approach in relation to helping vulnerable customers to avoid debt and to manage their way out of debt.

Key Points Raised

Over 75% of respondents thought that a harmonised approach across the energy suppliers in relation to helping vulnerable customers to avoid debt and to manage their way out of debt was a good idea. Only one respondent stated that they were strongly opposed to the idea of a harmonised policy on managing debt.

Respondents who agreed with the suggestion thought that the harmonised approach to debt management should include best practice guidelines, developed in conjunction with agencies who represent vulnerable customers and those that provide support for households experiencing financial problems, on debt recovery and avoidance of further debt. However, it was pointed out that any harmonised approach should remain flexible enough to take account of individual needs e.g. pre-payment meters are commonly used to facilitate debt recovery but there are access issues which mean they are not suitable for all customers. A few respondents recommended that training should be included within the debt management approach both from the point of view of training utility suppliers on dealing with customers in debt but also training for customers on debt management alongside energy advice. Other suggestions included:

- The most vulnerable customers should not be disconnected due to debt;
- Debt recovery policies should include signposting to advice centres;
- Helpline numbers should be charged at no more than the rate of local calls;
- Awareness training for utility suppliers should include dealing with customers who are struggling because of a cancer diagnosis and its implications, particularly with regard to disconnection.

The one respondent who did not agree with a harmonised approach felt that debt collection processes were not necessarily transferable between the different types of utilities and that it would mean moving away from current arrangements that are made on an individual basis. As regulated utility suppliers are subject to price controls which contain differing efficiency targets, this respondent stated that they could not see that a harmonised debt collection process was necessary, desirable or possible.

An additional comment made at the stakeholder workshop on 1 June 2009 was that utility companies should review their usage of 0845 phone numbers because, although

they are free or at a local rate from a BT landline, calls to these numbers from mobiles and other networks can be expensive and may deter some customers from calling.

Utility Regulator's Response

Given the support within the consultation responses for a harmonized approach to helping energy customers avoid debt and manage their way out of debt, the Utility Regulator intends to proceed with this work. The Utility Regulator acknowledges the concerns of respondents that issues around financial vulnerability need to be addressed as a priority. The consultation has provided invaluable information regarding the problems faced by customers in financial difficulty and will provide a good platform for developing the terms of reference to take this work forward. We will continue to engage with the representatives of vulnerable customers and other relevant stakeholders to ensure a satisfactory outcome to the project.

In response to the comment regarding the use of 0845 phone numbers, the Utility Regulator notes the point but acknowledges the difficulties, and possible confusion, that would be caused by utility companies changing these to local rate numbers. Not least of all would be the expense incurred which would in turn reflect in the cost of supplies to customers. Groups could consider taking the issue up with OFCOM (regulator of the communications industry) who may have the power to influence the cost of the 0845 numbers.

Question 7: The Utility Regulator acknowledges the concerns of stakeholders around self-disconnections. Respondents are asked to comment on what should be done to prevent vulnerable customers self-disconnecting for reasons of financial hardship.

Key Points Raised

Respondents agreed that steps should be taken to help vulnerable customers manage their payments and avoid self-disconnection. It was also suggested that there was a need to carry out research into self-rationing as some customers, particularly older people, may ration their use of fuel in order to stay out of debt rather than totally disconnect. Several respondents pointed out that self-disconnection was not always due to financial problems but may also be due to lack of access to payment facilities e.g. someone who is too ill to obtain further credit or to have the necessary awareness to manage their pre-payment meter. It was thought that some customers may not be aware of emergency credit facilities and some respondents thought that the level of emergency or 'friendly' credit could be increased. Suggestions were made with regard to suppliers monitoring self-disconnections and initiating procedures to support

customers with difficulties including, if legislation were brought in to permit data sharing, alerting local support agencies. Other suggestions on how self-disconnection could be prevented for vulnerable customers included: introducing social tariffs, setting up a fund similar to the Charis Fund in GB, ensuring that discharge packages from hospital include a fuel poverty check and better access to grants to improve the energy efficiency of homes. An additional point was made that customers should not be vulnerable to self-disconnection whilst having problems getting a complaint resolved. It was pointed out that this question did not apply to water services as pre-payment meters are not used by the water industry and there is no legal provision for disconnection of water or sewage services.

Utility Regulator's Response

Due to the concerns of respondents and the number of issues raised within the consultation responses regarding the use of prepayment meters, the Utility Regulator has decided to extend the work on debt management to include these issues and in particular look at what steps can be taken to ensuring that, as far as possible, vulnerable customers do not self-disconnect or self-ration their use of energy to an extent that their health and well-being are being compromised. The Utility Regulator acknowledges that self-disconnection is not always due to a customer being in financial difficulties but may also be due to accessibility issues in terms of both being able to use the pre-payment meter and getting access to top-up facilities. These issues will be looked at as part of the work on reviewing codes of practice and best practice standards on access to services. The Utility Regulator will work with the utility companies to see if it is possible to monitor self-disconnections and put systems in place to facilitate follow-up action where it is deemed appropriate.

The suggestion to set up a fund, similar to the Charis Fund operated in GB, to provide a one-off payment to customers in severe financial difficulties is outside the remit of the Utility Regulator but we would be supportive of such a scheme. As already stated, the Utility Regulator is currently taking forward work on the possible introduction of social tariffs and will continue to work to help raise awareness of fuel poverty issues and steps that can be taken to help vulnerable customers avoid self-disconnection and getting into debt. The Utility Regulator is responsible for setting up and overseeing the operation of the Northern Ireland Energy Efficiency Levy which provides around £6 million for energy efficiency schemes every year. Since 2002, 80% of this funding has been directed to energy efficiency schemes for vulnerable households to help 'fuel-poverty proof' their homes. Access to these schemes is not dependent on receipt of benefits but on specific vulnerability criteria set by the energy supplier undertaking each scheme. Low-income households are included and following a recent review of the vulnerability criteria the low-income thresholds have been increased.

Question 8: Respondents are asked to comment on what measures should be undertaken to raise awareness, and which organisation(s) should take the lead on these measures.

Key Points Raised

A wide range of measures were suggested by customers to raise awareness of the different services and help available to utility customers. There were also a number of organisations suggested as having a role to play, working in partnership with suppliers, in undertaking these measures. Suggestions included:

- Suppliers using existing mechanisms for engagement with local communities and individuals such as voluntary and community organisations that work with vulnerable groups, local councils, local partnership initiatives and the advice sector, to raise awareness of services and promote uptake;
- Suppliers undertaking awareness raising campaigns through local media and holding information sessions, road-shows etc. for advice workers and local communities;
- Suppliers developing a distribution strategy and information capturing system for Critical and Customer Care registers;
- The Consumer Council and the Utility Regulator working together to ensure information is targeted at the relevant customer groups;
- All suppliers should provide bills on a quarterly basis to keep customers better informed and talking bills should be made available on a free-phone basis for anyone who requests it.

One innovative suggestion was that new mothers could be targeted with information using the 'Bounty Bags'. Another respondent suggested that there should be more emphasis placed on changing behaviours and raising public awareness of their own ability to reduce energy consumption. It was also recommended that the Utility Regulator look at the Scottish Government's new EAP (Energy Assistance Package) programme, a four-stage package of advice and energy efficiency measures, as a possible model that could be adopted in Northern Ireland.

Reminders were given by several respondents that information should be accessible and provided in different formats and languages and suppliers' websites should conform to accessibility guidelines.

Utility Regulator's Response

The Utility Regulator has already hosted a workshop on 1 June 2009 to help raise

awareness of the current provisions available from utility companies to ensure that customers with specific requirements have equal access to utility services. The workshop provided an opportunity for representatives of vulnerable groups to find out more about the services available and to speak directly to utility suppliers regarding how the range and provision of these services could be improved. It was agreed at the workshop that voluntary and community organisations have an important role to play in providing information to vulnerable customers and promoting the uptake of services. The Utility Regulator will continue to host such events and engage with representatives of vulnerable customers, including Section 75 groups, on specific topics as deemed appropriate.

As part of the work on reviewing codes of practice, the Utility Regulator will work with utility suppliers to ensure that their processes, for raising awareness and promoting uptake of the services for vulnerable customers, are adequate. This will include reviewing the provision of information and bills in different formats and languages. The Utility Regulator has met with the Consumer Council to discuss the issues arising from the Social Action Plan consultation and, where appropriate, will continue to work in partnership with the Consumer Council to raise awareness of the services that are available to assist vulnerable customers.

The Utility Regulator will continue to ensure that energy efficiency advice is given to customers both through obligations on suppliers through their licence requirements and through the operation of the Energy Efficiency Levy (or the Sustainable Energy Programme as it is to become following the recent review). The Utility Regulator will continue to have regard to energy efficiency programmes in other jurisdictions to see if there are any lessons to be learnt.

Question 9: Respondents are asked to comment on whether there are any other key issues that should be considered.

Key Points Raised

Amongst the other key issues that respondents thought were important, there was considerable support for the introduction of social tariffs to provide a discounted tariff for vulnerable customers in fuel poverty. There were also requests that billing information could be improved in terms of being easier to understand and helping customers become more aware of their energy use. Other issues raised included: ensuring that the development of technology takes into account the needs of disabled people; enhancing all-Ireland co-operation and collaboration to improve policy making; further changes to building regulations being needed and increasing the use of micro-generation as a tool to help alleviate fuel poverty.

Utility Regulator's Response

As already stated the Utility Regulator is currently taking forward work in relation to social tariffs and, following consultation, DETI has now brought in legislation that will ensure electricity and gas customers receive 12 months historical consumption data either on or with their bills. DETI is currently analysing the consultation responses in respect of the introduction of smart meters to provide better information for customers on their energy usage and will announce a policy position in due course.

The Utility Regulator is mindful of its statutory duty to ensure that the needs of people with a disability are taken into account in all relevant aspects of its work. The Utility Regulator recently had a meeting with RNIB to discuss the needs of blind or visually impaired people in relation to the design of pre-payment and smart meters. The information supplied by RNIB was forwarded on to colleagues in government departments and other Regulators (GB and ROI). Through the nature of its business, particularly the Single Electricity Market and promotion of the gas network, the Utility Regulator already has a close working relationship with CER (Commission for Energy Regulation in the Republic of Ireland) facilitating all-island co-operation and collaboration.

It is not within the Utility Regulator's powers to amend building regulations but one of the outcomes of the recent review of the Energy Efficiency Levy was that the new Sustainable Energy Programme will permit schemes that make use of micro-generation technology.

Question 10: Respondents are asked to comment on this future work plan.

Key Points Raised

In general, respondents were supportive of the forward work plan proposed in the consultation document. Actions considered to be a priority were those relating to reducing financial vulnerability, in particular the work on social tariffs, and to raising awareness of the assistance already available both in terms of special access provisions and the management of debt. Several respondents commented on the need for a monitoring and evaluation framework for the forward work plan. The proposal to set up a panel of experts was welcomed but it was recommended that it should include representation from the voluntary and community sector. It was also recommended that the Utility Regulator consider accessibility issues and the needs of disabled people within its work.

Other ideas put forward within the consultation document were beyond the remit of the

Utility Regulator and therefore are not included in the proposed work plan. These included support for regulation of the oil industry and the implementation of a Trust Fund.

Utility Regulator's Response

The Utility Regulator will take forward the work plan as proposed in the consultation document but has included several further actions following analysis of the consultation responses. Our revised forward work plan on social action is included as Table 1 in Chapter 3 of this document.

Respondents to NIAUR Social Action Plan Consultation

March 2009

Age Concern
Age Sector Platform
Ards Borough Council
Ballymoney Borough Council
Belfast City Council
Christine Liddell
Citizen's Advice Bureau
Committee of the First and Deputy First Minister
Consumer Council for Northern Ireland
Department for Regional Development
Disability Action
Energy Saving Trust
firmus energy
Help the Aged
Institute of Public Health in Ireland
Macmillan Cancer Support
National Energy Action NI
NI Council for Voluntary Action
NIE Energy
NIE plc
NI Energy Agency
NI Housing Executive
Northern Ireland Water
Phoenix Natural Gas
Regional Development Committee
Royal National Institute for the Blind
Rural Community Network
Save the Children
Sustainable Energy Association

Attendees at Stakeholder Workshop on Access Arrangements

1 June 2009

Advice NI
Airtricity
Belfast City Council Consumer Advice Centre
Belfast Healthy Ageing Strategic Partnership
Carer's UK
Castlereagh Lifestyle Forum
Consumer Council for Northern Ireland
Department of Enterprise Trade and Investment
Department of Regional Development
Disability Action
Energia
Energy Saving Trust
Engage with Age
firmus energy
Health and Social Care NI
Help the Aged
Individual – Hearing Impaired
Investing for Health Partnership
Macmillan Cancer Support
National Energy Action NI
NI Authority for Utility Regulation
NIE Energy
NIE plc
NI Energy Agency
NI Housing Executive
Northern Ireland Water
Phoenix Natural Gas
Royal National Institute for the Blind
Save the Children
Shelter NI
Sustainable Energy Association

Codes of Practice Operated by Utility Services

Water

NI Water

Code of Practice	Date of Review by NIAUR
Sewerage Services for Domestic Customers	1 st Quarter 2010/2011
Water Supply Services for Domestic Customers	1 st Quarter 2010/2011
Guidance on Dealing with Leakage	1 st Quarter 2010/2011
Complaints Procedure	1 st Quarter 2010/2011
Priority Services for Domestic Customers	1 st Quarter 2010/2011
Explanation of Water Metering	Will be required if domestic charges are introduced.
Domestic Debt Management	Will be required if domestic charges are introduced.
Explanation of Water and Sewerage Bills	Will be required if domestic charges are introduced.

Electricity

Electricity Companies

Code of Practice	Date of Review by NIAUR
Payment of Bills	3 rd Quarter 2009/10
Services for Vulnerable Customers	3 rd Quarter 2009/10
Efficient Use of Electricity	3 rd Quarter 2009/10
Complaint Handling	3 rd Quarter 2009/10
Services for Prepayment Meter Customers	3 rd Quarter 2009/10

Gas

Network Companies

Arrangements	Date of Review by NIAUR
Efficient Use of Gas	3 rd Quarter 2011/2012
Services for Pensioners, Chronically Sick or Disabled Persons	3 rd Quarter 2011/2012
Facilities for Blind and Deaf People	3 rd Quarter 2011/2012

Gas Supply Companies

Arrangements	Date of Review by NIAUR
Efficient Use of Gas	3 rd Quarter 2011/2012
Services for Pensioners, Chronically Sick or Disabled Persons	3 rd Quarter 2011/2012
Facilities for Blind and Deaf People	3 rd Quarter 2011/2012
Complaints Handling Procedure	3 rd Quarter 2011/2012
Payment of Bills and Dealing with Customers in Difficulty	3 rd Quarter 2011/2012

Forward Work Plan Proposed in Consultation Document

January 2009

Activity	2009/10	2010/11 – 2011/12	2012/13 – 2013/14
Reducing Financial Vulnerability			
Market redesign	<ul style="list-style-type: none"> Monitor SEM Work on CAG, as per published work plan 	<ul style="list-style-type: none"> Monitor SEM Work on CAG, as per published work plan 	<ul style="list-style-type: none"> Monitor SEM Work on CAG, as per published work plan
Corporate refinancing	<ul style="list-style-type: none"> Review the benefits and current operation of the mutualisation model 	<ul style="list-style-type: none"> Consider the roll-out of the mutualisation model 	<ul style="list-style-type: none"> If appropriate implement roll-out.
Encouraging competition	<ul style="list-style-type: none"> See Forward Work Programme 	<ul style="list-style-type: none"> See Forward Work Programme 	<ul style="list-style-type: none"> See Forward Work Programme
Price controls	<ul style="list-style-type: none"> See Forward Work Programme 	<ul style="list-style-type: none"> See Forward Work Programme 	<ul style="list-style-type: none"> See Forward Work Programme
Metering (energy suppliers only)	<ul style="list-style-type: none"> Review of gas pre-payment consultation Complete cost-benefit work on smart meters 	<ul style="list-style-type: none"> Implementation, if appropriate 	<ul style="list-style-type: none"> Implementation, if appropriate
Social tariffs	<ul style="list-style-type: none"> Scoping document framework to be brought to Government in early 2009 	<ul style="list-style-type: none"> Subject to Government decision, implement policy, as appropriate 	<ul style="list-style-type: none"> Policy implemented, if appropriate
Growing the gas network	<ul style="list-style-type: none"> Ongoing 	<ul style="list-style-type: none"> Ongoing 	<ul style="list-style-type: none"> Ongoing
Helping customers in debt	<ul style="list-style-type: none"> Consider possibility of introducing harmonized policies on debt management 	<ul style="list-style-type: none"> Implement changes, if appropriate Monitor compliance with policy 	<ul style="list-style-type: none"> Monitor compliance with policy
Providing Special Services			
Ensuring compliance with special service provisions in the licences and codes	<ul style="list-style-type: none"> Monitor and ensure compliance with licences and codes of practice 	<ul style="list-style-type: none"> Monitor and ensure compliance with licences and codes of practice 	<ul style="list-style-type: none"> Monitor and ensure compliance with licences and codes of practice

Activity	2009/10	2010/11 – 2011/12	2012/13 – 2013/14
of practice	<ul style="list-style-type: none"> Consider requirement for provision of information in alternative languages 		
Improving Energy Efficiency and Water Efficiency			
Energy Efficiency Levy	<ul style="list-style-type: none"> Decision paper to be issued on future of EEL in early 2009 Revised EEL implementation to begin 	<ul style="list-style-type: none"> Revised EEL implemented 	<ul style="list-style-type: none"> Revised EEL implemented
Water efficiency	<ul style="list-style-type: none"> Monitor compliance of NI Water's duty to promote water efficiency Monitor progress against leakage targets 	<ul style="list-style-type: none"> Monitor compliance of NI Water's duty to promote water efficiency Monitor progress against leakage targets 	<ul style="list-style-type: none"> Monitor compliance of NI Water's duty to promote water efficiency Monitor progress against leakage targets
Working with Others			
Working with others	<ul style="list-style-type: none"> Ongoing 	<ul style="list-style-type: none"> Ongoing 	<ul style="list-style-type: none"> Ongoing
Raising Awareness			
Further research	<ul style="list-style-type: none"> Consider appointment of an academic panel of experts, to advise on social and other issues affecting utility customers Consider undertaking further research 	<ul style="list-style-type: none"> Further research 	<ul style="list-style-type: none"> Further research
Review of Social Action Plan	<ul style="list-style-type: none"> N/a 	<ul style="list-style-type: none"> N/a 	<ul style="list-style-type: none"> SAP to be reviewed

**Table 1 from the Consultation Document
Vulnerability Characteristics and Intensifiers**

Characteristic	Why this may contribute to vulnerability
Poor Health – household includes a chronically sick individual.	<ul style="list-style-type: none"> ▪ Likely to have a greater demand for heat and water, given greater time spent at home. ▪ More susceptible to further health problems associated with lack of heat and/ or water.
Disability – household includes an individual with a disability.	<ul style="list-style-type: none"> ▪ Likely to have a greater demand for heat and water, given greater time spent at home. ▪ May be more susceptible to further health problems associated with lack of heat and/ or water. ▪ May require assistance to read meters, understand literature from utility supplier etc.
Ethnic Background – household does not include an adult with a sufficient grasp of English.	<ul style="list-style-type: none"> ▪ May require assistance to read meters, understand literature from utility supplier etc.
Financial Insecurity – household on a low income.	<ul style="list-style-type: none"> ▪ Likely to have difficulty paying utility bills.
Intensifier	Why this may increase vulnerability, if combined with the characteristics above
Age – household includes an elderly person and/ or a child under the age of 16.	<ul style="list-style-type: none"> ▪ Likely to have a greater demand for heat and water, given that they typically spend more time at home than those of working age. ▪ More susceptible to health problems associated with lack of heat and/ or water.
Rurality – household is situated in a rural location.	<ul style="list-style-type: none"> ▪ Likely to have a greater demand for heat given: (1) the absence of “heat islands” that surround urban areas; and (2) the poor energy efficiency of many older rural dwellings. ▪ May have difficulty accessing full range of utility services e.g. gas may not be available. ▪ May be more vulnerable to disruption of service.

Financial Vulnerability - Intensifying Characteristics

Characteristics which may intensify the effect of low household income and which therefore may increase the likelihood of experiencing fuel poverty are listed below. The impact of fuel poverty on households or persons with these characteristics, particularly age, disability and chronic illness, may also mean more severe consequences for their health and wellbeing.

Factor	Reason
Age (Including older persons and young people and children, under 16)	<p>Likely to have a greater demand for heat and water, given that they typically spend more time at home than those of working age. More susceptible to health problems associated with lack of heat and/ or water.</p> <p>Development and educational achievement of children living in colder homes may be adversely affected and adolescents more at risk of mental illness.</p> <p>May require benefit checks.</p>
Disability or chronic illness	<p>Likely to have a greater demand for heat and water, given greater time spent at home.</p> <p>May be more susceptible to further health problems associated with lack of heat and/ or water.</p> <p>May require assistance to read meters and understand literature from utility supplier to help with budgeting and controlling energy usage.</p> <p>May require benefit checks.</p>
Rurality	<p>Likely to have a greater demand for heat given:</p> <p>(1) the absence of “heat islands” that surround urban areas; and</p> <p>(2) the poor energy efficiency of many older rural dwellings.</p> <p>May have difficulty accessing full range of utility services e.g. gas may not be available.</p>
SAP rating of property	<p>Poorly insulated and drafty houses will require more energy to heat rooms to adequate temperatures.</p> <p>May be spending money on inefficient heating systems where heat is lost rather than providing comfort within the household.</p>