



Age NI response to the Utility Regulators Draft Forward Work Programme 2017/2018

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1.0 Introduction

Age NI welcomes the opportunity to respond to the Utility Regulators Draft Forward Work Programme 2017/2018.

2.0 About Age NI

Age NI is the leading charity for older people in Northern Ireland. Our vision is a world where everyone can enjoy later life and our mission is to help people enjoy a better later life.

We achieve this through 315,000 direct engagements with older people each year: providing information, advice and advocacy to over 10,000 older people; providing over 500,000 hours of residential, domiciliary and day care to older people alongside bespoke projects; supporting the capacity and development of 11 Older People's Networks delivering to local communities across Northern Ireland; innovating and developing new approaches to ensure that the voices of older people, including lesser heard older people, influence decisions; as well as campaigning and lobbying the NI Assembly and Executive on issues that are important to older people.

Age NI works to ensure that older people have enough money to live comfortably and participate fully in society, stay well and feel good into later life, and have their rights and dignity respected and protected as equal and engaged citizens. As part of our work on tackling pensioner poverty, we are a member of the Fuel Poverty Coalition.

3.0 General comments: Fuel poverty and older people

Fuel poverty has become increasingly prominent in recent years. Rising energy prices, leaky, energy inefficient housing and low incomes have resulted in Northern Ireland having the highest rates of fuel poverty in the UK and one of the highest rates in Northern Europe.¹

¹ Northern Ireland House Conditions Survey 2011

The upward pressure on wholesale electricity and oil costs and the impact of Brexit on oil prices due to the weakened pound has further disadvantaged people in Northern Ireland as 68% of households are reliant on home heating oil, a non-regulated fuel. More than ever, therefore, we need a viable, long-term, sustainable solution to tackle fuel poverty.

Although all households in NI have felt the impact of increasing energy prices, it is pensioners who have borne the brunt of fuel poverty. And almost half of all households – that is an estimated 138,000 older households across NI - live on such low incomes in wasteful, hard to heat homes that they are unable to keep warm in their homes at a reasonable cost. Older people are more likely to occupy dwellings that fail to meet acceptable standards,² and two thirds of people aged 75 and over are living in fuel poverty.³

In addition, there were 870 ‘excess winter deaths’ in Northern Ireland during 2014/15, and the vast majority of these deaths occurred in people aged 75 and over.⁴ This was the highest figure since 2009/10. Respiratory Disease accounted for 330 of the excess winter deaths in 2014/15, a figure more than double that of the previous year.⁵ While flu incidences may have contributed to these high numbers, there is no doubt that some of the excess winter deaths are attributable to the cold and could have been prevented if those people had lived in warm homes. Research shows conclusively that when the temperatures dip below 6 degrees⁶, the incidence of respiratory and circulatory illnesses starts rising, and most of those deaths are attributable to those illnesses.

Health implications of fuel poverty are also more serious for older people who are at greater risk of respiratory disease, heart attack, stroke and accidental hypothermia⁷. A cold home can be a lonely and depressing place to live and evidence has proven

² Agenda for Later Life Age NI 2015 http://www.ageuk.org.uk/Documents/EN-GB-NI/policy/Age_NI_Agenda_for_Later_Life_2015.pdf?dtrk=true

³ Northern Ireland House Conditions Survey 2011, Fig. 6.4, p. 69

⁴ Excess Winter Mortality, 2014/15, NISRA. <http://www.nisra.gov.uk/demography/default.asp32.htm>

⁵ Excess Winter Mortality, 2014/15, NISRA.

⁶ Cold Weather Plan For England , Making the Case: Why long-term strategic planning for cold weather is essential to health and wellbeing, Public Health England https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/561090/CWP_making_the_case.pdf

⁷ Agenda for later life. Age NI (2015)

links to exacerbating mental health concerns and social isolation. Many older people are not as mobile as other age groups and they spend proportionately more time in the house which means they generally need more electric and heating, with some people having to make stark choices between heating their home and buying the food they need.

Nearly one in four (23%) older people tell us that they are struggling to afford essential items such as food, gas and electricity and 50% tell us that, while they can afford these essentials they have no money left for extras.⁸

Age NI believes that everyone should be able to live in a home which is warm enough to provide a healthy living environment. Older people make up a large proportion of the fuel poor and as such Age NI calls on government to address the three causes of fuel poverty.

4.0 Specific Comments on Utility Regulator draft Forward Work Programme

Age NI supports the Fuel Poverty Coalition's call on the Utility Regulator to retain the Northern Ireland Sustainable Energy Programme (NISEP). We believe that this should be a key project for the Utility Regulator, and should be a central core component in the Forward Work Programme for 2017/2018.

Since its inception, the NISEP has continued to bring about significant benefits to Northern Ireland. It promotes efficiency in the use of energy, socially and environmentally sustainable long-term supplies and it does so at best value to customers, whilst having due regard to vulnerable customers. It has played a major role in tackling fuel poverty through energy improvements and has been administered efficiently by the Utility Regulator with Energy Savings Trust (EST) as Project Administrator.

It has dovetailed with the Department for Communities (DfC) statutory fuel poverty scheme acting as a safety net for other low income families.

⁸ Agenda for later life. Age NI (2015)

The ending of the NISEP with no alternative programme will have a serious negative impact on low income households. 42% of all households experience fuel poverty in Northern Ireland and 68% of households are reliant on home heating oil, a non-regulated fuel.

5.0 Conclusion

The upward pressure on wholesale costs and the impact of Brexit on oil prices due to the falling pound has further disadvantaged households here. We are therefore in even greater need for a viable long term sustainable solution to tackle fuel poverty. The NISEP can play into that longer term solution and the UR can help us influence and shape a new NISEP to that end.

In conclusion, we call on the Utility Regulator to retain the NISEP in its current form with the view to refining the outworking's to ensure that the programme is as efficient and effective as possible.