

## **Response of the OFMDFM Committee to the consultation on the Social Action Plan of the Northern Ireland Authority for Utility Regulation**

- The Committee for the Office of the First Minister and deputy First Minister welcomes the consultation on the Social Action Plan of the Northern Ireland Authority for Utility Regulation (The Utility Regulator).
- The Committee is encouraged by the Regulator's proposals to bring forward a co-ordinated strategy for the protection of vulnerable utility customers in the provision of water, gas and electricity.
- In its inquiry into child poverty, the Committee examined issues of rising costs, promoting employment, long-term disadvantage and collective commitment to ending child poverty.
- The Committee wishes to refer the Regulator to the recommendations regarding fuel poverty made in the Committee's Child Poverty Report.
- In recommendation 8 of its Child Poverty Report, the Committee highlighted the need for "a timeframe for implementation of recommendations ... to reduce the impact of rising fuel costs on families on low income".
- The Committee also noted its extreme concern that "in the short-term, as a result of the rising cost of basic necessities such as food and fuel (the cost of a typical fill of home heating oil has risen to almost £600), there is the potential for levels of child poverty to rise over the next few years".
- The Committee notes the Regulator's acknowledgement of the intensifier effect of fuel poverty on children in low-income households.
- The Committee urges coherent planning and partnership systems to secure fuel for vulnerable people.
- Recommendations 26-29 of the Committee's Child Poverty Report deal specifically with fuel costs:

*26. The impact of fuel bills that are quite literally rising by the week is so significant that we believe OFMDFM, and indeed the wider Executive, must develop a specific plan of action to deal with the issue of rising costs for people on low income.*

*27. We urge the Minister for Social Development to ensure that the Fuel Poverty Taskforce considers all practical options, including options for additional payments or special tariffs for vulnerable groups. The Committee believes that in the current climate all options must be considered.*

*28. The Fuel Poverty Taskforce should consider how, in addition to potential investments by the public sector to increase levels of energy efficiency, the private sector, including the regulated utilities and major fuel companies, could more effectively contribute to minimising fuel costs for people on low income. The powers of the regulator to incentivise and enforce such an approach should also be considered. At a more local level, policies relating to the fuel choices of low income families may need to be reviewed and serious consideration should be given to how people on low income could be assisted to minimise costs through the creation of cooperatives, thereby enabling the bulk buying of fuel at a reduced price.*

*29. We recommend that the Executive prioritises the issue of high fuel costs during monitoring rounds and looks creatively at other options that could be used to finance the recommendations that emerge from the Fuel Poverty Taskforce.*

## **CONCLUSION**

- The Committee supports this timely intervention and will continue to monitor progress on the Regulator's consultation by close liaison with the lead Committees on energy issues, the Committee for Enterprise, Trade and Investment and the Committee for Regional Development.