



Rural Community Network
SUPPORTING RURAL COMMUNITIES

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Dear Alison,

Re: Social Action Plan Consultation

Rural Community Network (RCN) is a regional voluntary organisation established by community groups from rural areas in 1991 to articulate the voice of rural communities on issues relating to poverty, disadvantage and equality. We are part of a wider rural community development networking infrastructure that includes Rural Support Networks (RSNs) and the Northern Ireland Rural Women's Network (NIRWN) covering the whole of rural Northern Ireland.

RCN is committed to a rural community and networking approach to the planning and development of sustainable rural communities in order to address poverty, social exclusion and inequality and to support work towards a shared future.

We welcome the opportunity to comment on the Utility Regulator's Social Action Plan and would like to offer a few points in response to the questions outlined in the document. We would also like to thank the Consumer Council for organising a very helpful event to talk through a number of these issues.

1. Understanding the role, responsibility and power of the Utility Regulator

RCN does not have a clear understanding with regards the extent of the Utility Regulator's powers and how as an organisation we might effectively engage with this office. As a membership organisation of around 450 members, it would be safe to assume that most of our members don't either. It is interesting to note that the proposal to establish a panel of experts to provide advice on fuel poverty and water poverty issues does not include experts from the community and voluntary sectors. [7.12]

We recommend that the Utility Regulator thinks about how to engage with the wider community and voluntary sectors with regards how groups might effectively engage with that office.

2. List of Consultees

We are intrigued as to how the list of 15 consultees was drawn up in Appendix 6. We are concerned with regards how limited it is in terms of covering Section 75 categories and in particular the absence of older people and young people's groups. There are also, for example, no carers, mental health, lone parents, unemployed, and minority ethnic organisations included.

We recommend that this list be expanded to include a more comprehensive list of organisations and that the Utility Regulator regularly meets with these groups over the duration of the Social Action Plan to listen, learn and monitor the implementation of the Social Action Plan.

3. Equality Impact Assessment

There is a misunderstanding with regards the purpose of an Equality Impact Assessment [EQIA] as laid out in the consultation document.

“As the plan is targeted at specific groups to improve equality of opportunity, only positive impacts were found and therefore it has been decided that this document should not be subjected to an Equality Impact Assessment.” [p.11]

The purpose of an EQIA is broadly two-fold, namely to identify adverse impact, and to identify ways in which equality of opportunity might be better promoted.

The Practical Guidance from the Equality Commission is clear on this and is perhaps worth noting. The procedures that are required are set out in Step 4 of an EQIA which states that:

“Consideration of

- Measures which might mitigate any adverse impact; and*
- Alternative policies which might better achieve the promotion of equality of opportunity*

The consideration of mitigating measures and alternative policies is at the heart of the EQIA process. Different options must be delivered which reflect different ways of delivering the policy aims. The consideration of mitigation of adverse impacts is intertwined with the consideration of alternative policies. Mitigation can take the form of lessening the severity of the adverse impact.

Ways of delivering the policy aims which have a less adverse effect on the relevant equality category, or which better promote equality of opportunity for the relevant equality category, must in particular be considered. Consideration must be given to whether separate

implementation strategies are necessary for the policy to be effective for the relevant group. The following must be considered:

How does each option further or hinder equality of opportunity?

How does each option reinforce or challenge stereotypes which constitute or influence equality of opportunity?

What are the consequences for the group concerned and for the public authority of not adopting an option more favourable to equality of opportunity?

How will the relevant representative groups be advised of the new or changed policy or service?

Clear evidence of the consideration of the impacts of alternatives must be apparent in the relevant consultation document.”

Carrying out an EQIA will provide an evidence base and ensure:

- a structured discussion and engagement with those who are experiencing fuel poverty across the Section 75 categories;
- the identification of the most vulnerable groups in each of the Section 75 categories; e.g.: those children who have a disability;
- identification of potential adverse impact,
- and identification of ways in which equality of opportunity might be better promoted.

We recommend that an EQIA be carried out on the Social Action Plan.

4. Definition of Vulnerability

We welcome that the Utility Regulator’s statutory duties include those living in rural areas and would be interested in how this legal duty came about as there are interesting implications for other public bodies in their responsibility to rural proof. However, this duty does not seem to have been included in the standard gas and electricity licences with regards special provision measures, unlike the other duties for those who are pensioners, chronically sick or disabled. [4.5] We would like to see greater details with regards how the Utility Regulator implements its statutory duty with regards those living in rural areas and examine why this has not been included in the gas and electricity licences and whether there is the intention to include in the water licences.

Although social exclusion and poverty in rural and urban areas of Northern Ireland have many common features in Northern Ireland, there are a number of distinct rural characteristics: These include:

- Higher proportion of population in older age bracket (over 65);
- Individuals living in rural areas had a higher than average risk of earning 50% below the UK mean income and 60% below the median income both Before Housing Costs and After Housing Costs, whilst

those in the Belfast Metropolitan Urban Area and Urban areas were at a lesser risk. [Family Resources Survey Urban-Rural Report Northern Ireland 2005-2006]

- Lack of access to information and advice through word of mouth, social networks and signposting services;
- Personal reluctance to admit the existence of poverty and disadvantage – the notion of deprivation carries a stigma at odds with a culture of self-reliance and ‘making do’;
- Limited access to employment opportunities and childcare facilities;
- Falling farm incomes;
- The effects of centralisation and rationalisation of services resulting in lower access to services and poorer quality of provision to, for example, health, education, transport, post offices and shops;
- Fuel poverty due to higher dependence on personal transport and higher heating costs;
- Higher rate of unfit housing;
- Greater isolation and invisibility of vulnerable groups such as lone parents, people with disabilities, ethnic minorities, gay, lesbian and transgender, and older people.
- Poor transport infrastructure.

Geography has a significant impact on shaping people’s experiences of poverty and the solutions out of poverty. According to the latest Housing Conditions Survey [2006]:

- 33% per cent [urban] and 38 % [rural] were in fuel poverty. The highest rate of Fuel Poverty was found in households living in isolated rural areas (43%).
- Above average proportions of dwellings with oil fired central heating systems were found in dwellings located in rural areas (80%), this compares to 66 per cent in urban areas.
- 5.4% of rural dwellings were unfit compared with 2.6% in urban areas.
- Two-fifths (38%) of all unfit dwellings in Northern Ireland were in isolated rural locations.
- Rural dwellings had an average basic repair cost (£2,778), over three times the corresponding figure for urban dwellings (£919) often because many rural homes tend to be old, solid walled and thus harder and more expensive to insulate.

Geography also impacts on securing or diminishing impact to key services. People living in rural areas are often greatly disadvantaged when it comes to fuel due to their distance from suppliers, reliance on oil, and the fact that many rural homes are more expensive to insulate

We would have liked to have seen more analysis of the issues facing those living in rural areas as indeed a greater analysis presented in this consultation document with regards the other characteristics of vulnerability such as low income, caring responsibility, poor health and so on. We would also like to

see a greater recognition of the working poor and not just a definition of vulnerability linked to those on means tested benefits.

We welcome the attempt to develop the 'characteristics of a vulnerable utility customer' and would urge the Utility Regulator to develop this framework with those who find themselves vulnerable and key S75 organisations. It is important that the Utility Regulator has as strong and inclusive definition of vulnerability that the Utility Companies have to use. We are concerned that there seems to be different definitions of vulnerability being used by different companies and different ways of identifying those who are vulnerable.

We recommend that the Utility Regulator clearly explains how that office is implementing its statutory duty with regards those living in rural areas.

We recommend that the Utility Regulator engages with those who are vulnerable and key S75 groups to develop its 'characteristics of a vulnerable utility customer' and that this is a standard definition used by all utility companies.

5. Awareness of Schemes & Special Services

There is a tension between the extent to which schemes can be promoted and available resources. There is also a difficulty with regards widespread advertising through, for example, utility bills, as opposed to more targeted promotion to those who are eligible and most in need.

There are also particular challenges in rural communities with regards access to information. However, there are a number of good examples such as the initiative commissioned by the Western Investing for Health Partnership to address the disadvantaged amongst over sixty-five year olds in accessing benefits and services in Newtown Stewart, Newtownbutler and Roslea/Rosslea electoral wards. The lessons from this and other similar initiatives, many in partnership with local government, are that if the schemes and special services to assist and/or protect vulnerable customers are to successfully reach those in need households within rural areas, it will require greater levels of investment in terms of time and methodology. This does not mean simply sending out more targeted information. There is a real need to invest in supporting households that may be vulnerable to both apply to and work their way through the various schemes. We are pleased to note that research carried out by Ipsos Mori for the Consumer Council and Utility Regulator on levels of awareness on existing schemes and special services highlight that people in rural areas are more likely to have heard of these services.

We recommend that the Utility Regulator examines the lessons from local partnership initiatives with community, voluntary networks and local government and statutory services to identify and build relationships with those who are most vulnerable.

6. Other Key Issues

- The Utility Regulator vigorously pursues options with regards regulating oil perhaps focusing attention on the three/four large importers of oil as opposed to the suppliers.
- With regards to payment options RCN believes that there should be a discount for people paying in cash and on-time. There is a Direct Debit discount but a lot of older people either don't have bank accounts or have basic accounts that can't have a Direct Debit.
- We agree that the Utility Regulator should encourage all of the energy companies to operate against common best practice standards with regards to debt recovery.
- There should be a social responsibility for supply companies/ Government Departments to alert local support services with regards those houses with Keypad Meters that have Self-Disconnected.
- We would agree that planning rules and building regulations should also be contributing to increasing energy efficiency and tackling wider fuel poverty.

7. Monitoring of Social Action Plan

RCN would recommend that the Utility Regulator uses similar monitoring and performance indicators as Ofgem uses in Greater Britain adapted to the local Northern Ireland context. Critically the focus needs to be on how many utility customers have been taken out of fuel poverty and indicators need to be linked to wider Executive strategies such as the Lifetime Opportunities Strategy.

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