

NATIONAL ENERGY ACTION NI'S CONSULTATION RESPONSE

Draft Programme for Government 2024-2027 'Our Plan: Doing What Matters Most'

October 2024



ABOUT NATIONAL ENERGY ACTION

National Energy Action (NEA) is the national fuel poverty charity, working across England, Wales, and Northern Ireland to ensure that everyone can afford to live in a warm, safe and healthy home. In Northern Ireland, we chair the <u>NI Fuel Poverty</u> <u>Coalition</u>, made up of over 100 members, and serve as the secretariat for the <u>All-Party</u> <u>Group on Fuel Poverty</u>.

NEA works to overcome the causes and effects of fuel poverty in four ways. We provide advice and support to people struggling to heat their homes affordably; we campaign and advocate for policy and regulation to protect the most vulnerable and end fuel poverty; we carry out research to raise awareness and find solutions; and we provide accredited training and qualifications to improve standards in energy advice.

NEA's policy priorities naturally evolve in response to wider government policy and the reality of fuel poverty within households but there are four key areas in NI that we have long been calling for. These are as follows:

- The introduction of a **statutory fuel poverty target** (NI is the only region of the UK without one).
- The development and implementation of a **new Fuel Poverty Strategy** for NI (the last one is from 2011 and is no longer fit for purpose).
- The introduction of **minimum energy efficiency standards**, especially within the private rented sector.
- **Financial support** for low income and vulnerable households in NI. This includes both short-term measures to boost incomes in response to the ongoing cost of living crisis, but also a longer-term commitment to invest in energy efficiency measures in homes in NI as part of the Just Transition to Net Zero.

We welcome the opportunity to respond to this public consultation on the NI Executive's Draft Programme for Government (PfG) 2024-2027. Our comments are informed by our research, expertise and extensive experience supporting fuel-poor households and vulnerable energy consumers in Northern Ireland¹.

Our response provides general comments on the PfG overall, followed by comments on specific areas of most relevance to our organisational priorities.

¹ For more information visit: www.nea.org.uk/northern-ireland



DRAFT PROGRAMME FOR GOVERNMENT - GENERAL COMMENTS

NEA NI commends that the NI Executive has published a draft PfG and we welcome the opportunity to respond to this public consultation. We recognise that the PfG is a critical mechanism for the NI Executive to coordinate and prioritise its actions and focus areas. Therefore, as a charity committed to eradicating fuel poverty, we want to ensure that the final PfG outlines actions that will effectively address the current fuel poverty crisis, increase domestic energy efficiency, and promote a just transition to net zero.

NI Fuel Poverty Crisis

The 2016 House Condition Survey (the most current official statistic) sets the NI rate of fuel poverty at 22%². However, annual polling in recent years, conducted by LucidTalk on behalf of NEA NI, has consistently found the rate to be much higher – likely reflective of significant pressures in recent years, including global energy market volatility, the post-COVID recovery, and ongoing cost-of-living crisis. In September 2024, this polling for NEA NI found that 40% of NI households are spending at least 10% of their total household expenditure on energy costs and are therefore living in fuel poverty.

The NI-wide representative survey also found that the continued pressure on household budgets has led to a continued rise in detrimental 'coping' mechanisms, including self-disconnection or rationing of heat. For example, 27% of households told us they went without heating (oil/gas) or electricity on at least one occasion in the last 24 months due to not being able to afford the costs of energy. This is up from 19% in September 2023. Furthermore, 1 in 10 households admitted to skipping meals or reducing their food consumption to ensure they had enough money to pay for energy. This means that choosing between heating and eating is very much a reality for over 70,000 homes in Northern Ireland.

The chilling reality is that people across NI are living in cold, damp homes - contributing to stress, debt, social isolation, poor physical and mental health, and in the most severe cases even death. This winter, even more pensioners will brace the cold due to the sudden changes in the eligibility criteria for the Winter Fuel Payment, leaving a cliff-edge in support. The LucidTalk poll in September 2024 also found that 53% of people aged 65+ in NI are worried about paying for energy at present or in the coming winter.

² Northern Ireland Housing Executive, (2016). 'House Condition Survey Report'.



The current prevalence of fuel poverty in NI is bleak, but there are solutions, and we at NEA NI are encouraged that the draft PfG at least refers to some of these – albeit in limited detail. This includes the commitments to:

- By 2025, launch a new Fuel Poverty Strategy to support those with the cost of living (pg. 41).
- Facilitate the **retrofitting** of existing housing stock through sustainable funding and partnership models to help meet the net zero 2050 target (pg. 62).
- **Boost housing funds** revitalising the Northern Ireland Housing Executive so that it can invest in its homes, to ensure they are warmer and greener (pg. 40 and pg. 60).
- Deliver a Northern Ireland **Housing Supply Strategy** (pg. 40).
- Support the cost of a Just Transition (pg. 70).
- Develop a Climate Action Plan including focus on better-insulated homes and greater energy independence (pg. 47 and pg. 72).
- Review the Energy Strategy to bring a renewed focus on **affordable renewable** energy (pg. 74).

Our overall criticisms however are:

- The PfG severely lacks detail in its commitments reducing the ability to
 meaningfully monitor progress. The value of the PfG is in the change it creates,
 not merely its existence. We call for more detail on the proposed actions in the
 finalised PfG, including specific timelines, targets, costs, and funding.
- The draft PfG does not mention the Anti-Poverty Strategy by name; does not
 include eradicating poverty as a key priority or mention eradication of
 fuel poverty; it does not have objectives, measurables or targets relating to
 decreasing poverty over the course of the PfG.

Finally, NEA NI endorses the PfG's missions of People, Planet, Place and Peace. However, it is very important to us that the NI Executive recognises that **addressing fuel poverty** is fundamental to progress on each of these missions. This is not made explicitly clear in the PfG, and we ask that it is.



DOING WHAT MATTERS MOST TODAY: 'GROW A GLOBALLY COMPETITIVE AND SUSTAINABLE ECONOMY'

Summary:

- NEA NI strongly agrees that this priority should be included in the PfG.
- We agree with the action 'Seek to achieve self-sufficiency in our own clean and affordable energy' however this must be driven with the needs of energy consumers as the priority.
- We see implementation of the Energy Strategy as an opportunity to reduce fuel poverty in NI. To achieve this, it is imperative that consumer protection and a fair and just transition remains meaningfully at the forefront of our journey to decarbonisation.

Further comments:

The transition to decarbonisation represents a significant change in energy policy in Northern Ireland and will require consumers to change how they heat and power their homes. For example, currently 68% of our households are reliant on domestic home heating oil – compared with 4% of the UK as a whole³.

This will be a challenging journey for many households as they will be required to learn new skills and adopt new behaviours to make efficient use of emerging technologies. Provisions are needed to support this change and make the transition as simple as possible for energy users. Research by the Consumer Council NI has suggested there remains low awareness of the detail of the energy transition among domestic consumers. For instance, three in ten consumers reported having no understanding of what the term 'net zero' means⁴. Only about half (54%) of respondents were aware that the Northern Ireland government is aiming to reduce greenhouse gas emissions to net zero by 2050⁵. Almost six out of ten (58%) consumers said they would like to receive more information on the benefits of decarbonisation and energy transition⁶. It is imperative that through

³ Department for the Economy, (2022). <u>'Energy in Northern Ireland 2022'</u>, pp. 110.

⁴ Consumer Council for Northern Ireland, (2023). 'Attitudes to the Energy Transition'.

⁵ Consumer Council for Northern Ireland, (2023). <u>'Attitudes to the Energy Transition'</u>.

⁶ Consumer Council for Northern Ireland, (2023). <u>'Research on the impact of the energy crisis on affordability</u>



collaboration, consumer knowledge of what is required of them and why is enhanced. Clear information, advice, and support must be provided for all.

Furthermore, as energy systems change, there is a risk that upfront investment costs will be passed on to consumers, exacerbating financial pressures. For example, currently renewable energy generation requires significant upfront investment on the part of a householder. Even where this cost is covered by existing subsidies it is at best part funded, meaning households must find a substantial amount of money upfront to access the low carbon alternatives. This is simply not possible for lower income and vulnerable households. Research by the Consumer Council NI has shown that cost is high on the worry list for consumers regarding decarbonisation⁷.

NEA NI welcomes that the draft PfG identifies the importance of consumer protection and a just transition (pg. 18). However, we urge the NI Executive to include more specific detail in the finalised PfG on how it will ensure that low-income and vulnerable households are protected and empowered to benefit from the decarbonisation journey. This should include detail of the provision of grants to low income and vulnerable homes to enable them to transition to decarbonised heat and power.

NEA NI is also calling for the introduction of an **energy social tariff** as a progressive targeted approach to improving energy affordability. We define a social tariff as a discounted, targeted energy bill support aimed at those in greatest need⁸.

⁷ Consumer Council for Northern Ireland, (2023). <u>'Consumer attitudes to protection during energy decarbonisation'.</u>

⁸ For more information on our policy call for the introduction of an energy social tariff see: <u>'Solving the cost of living crisis: the case for a new social tariff in the energy market'</u>. (Available to download on NEA's website).



DOING WHAT MATTERS MOST TODAY: 'CUT HEALTH WAITING TIMES'

Summary:

- NEA NI strongly agrees that this priority should be included in the PfG.
- We disagree that these actions *alone* are the right actions to take.
- This is because none of the actions refer to the necessity of warm homes for health – despite the clearly-evidenced links between fuel poverty and populationlevel health.
- Furthermore, none of the actions focus on addressing NI's shocking rates of excess winter mortality.
- We recommend the following actions are included to strengthen this PfG priority and improve the long-term health and wellbeing of our population:
 - Implement recommended guidelines on tackling excess winter mortality.
 - Review the standard to which **NICE NG6** ('Excess winter deaths and illness and the health risks associated with cold homes') is being implemented and make improvements as necessary.
 - Increase cross-departmental coordination on tackling fuel poverty,
 building momentum for a Fuel Poverty Strategy.

Further comments:

The draft PfG outlines that our Health and Social Care System is under significant pressure, as demonstrated by NI having the longest hospital waiting times in the UK. NEA NI agrees that long-term solutions are required, including addressing health inequalities and improving the long-term health and well-being of our population.

To us, it is clear, that addressing fuel poverty is an essential component to making NI a healthier society and improving progress on wellbeing indicators such as, Preventable Deaths (Worsening), Mental Health (Worsening) and Loneliness (No Change)⁹.

⁹ Northern Ireland Executive, (2024). 'PfG Wellbeing Framework'.



The impact of fuel poverty on health is well evidenced and has been recognised by the Department of Health. In 2013, the National Institute for Health and Care Excellence (NICE) began developing guidance aimed at preventing cold related ill-health and the number of winter deaths. This led to the 2015 NICE NG6 guideline on excess winter deaths and illness and the health risks associated with cold homes¹⁰, subsequently endorsed in Northern Ireland in 2016¹¹.

We know that the cold kills. In winter 2022/23 the seasonal increase in mortality in Northern Ireland was an estimated 940¹². Studies show a clear relationship between Winter Mortality (WM – formerly known as Excess Winter Mortality), low thermal efficiency of housing and low indoor temperatures¹³. We know that deaths from cardiovascular diseases are directly linked to exposure to excessively low indoor temperatures for long periods of time. This is because a person's heart rate and blood pressure increase when they are cold¹⁴. Additionally, cold homes are more prone to damp and mould¹². The respiratory effects of damp and mould can cause serious illness and, in the most severe cases, death – as exemplified by the tragic death of two-year-old Awaab Ishak in 2020, from a severe respiratory condition due to prolonged exposure to mould in a home with inadequate ventilation¹⁵.

Polling for NEA NI, conducted by LucidTalk in September 2024, also evidenced negative health and wellbeing impacts of fuel poverty and the cost of living. 31% of respondents told us their/a member of their household's health and wellbeing had been impacted by the rising energy prices and cost of living, in the following ways (see Figure 1):

- Mental health impacts (21%)
- General physical health impacts (13%)
- Deterioration of an existing health condition (14%)
- Requiring more visit to a GP or Hospital (5%)

¹⁰ NICE, (2015). <u>'Excess winter deaths and illness and the health risks associated with cold homes'</u>.

¹¹ Department of Health, (2024). 'Endorsed NICE Public Health Guidelines'.

¹² Northern Ireland Statistics and Research Agency, (2023). <u>'Winter Mortality, 2022-</u>2023'.

¹³ Marmot Review Team (2011). 'The Health Impacts of Cold Homes and Fuel Poverty'

¹⁴ British Heart Foundation, (2022). 'How does cold weather affect your heart?'.

¹⁵ GOV.UK, (2024). 'Understanding and addressing the health risks of damp and mould in the home'.



NIView - QUESTION NEA7a: You answered 'Yes' to the previous question, - As such, please indicate how your, or a member of your household's health and wellbeing has been impacted? PLEASE TICK ALL THAT APPLY

NI representative results: Weighted – NI Representative – Poll-Period: 13th-16th September 2024 – 2,696 responses – modelled into a 1,199 NI representative response dataset: Results are NI representative to within an error of +/-2.3%

Only asked of those who answered 'Yes' to Question 7 i.e. 31% of the 'Total Respondents'. NB the % total is more than 31% in this question, as it was a 'Tick all that apply' type question.

Answer Choices								Response Percent	Response Total	
1	Mental health impacts.								21%	
2	General physical health impacts.								13%	
3	Deterioration of an existing health condition.								14%	
4	Requiring more visits to a GP or Hospital.								5%	
5	NONE - None of the above								1%	
6	Don't Know/Not Sure/Prefer not to say								0%	
7	Other (please specify - particularly if you said None-of-the-above - Requires an answer if ticked):								See Qualitative Results below	
									Modelled	1,199
Analysis		Minimum:	1.00	Mean:	2.18	Std. Devi	ation:	1.33	Sample	.,
AllalyS	13	Maximum:	7.00	Variance:	1.77	Std. Erro	r.	0.04	Total Responses	2,696

Figure 1: Responses to Question 7a. (LucidTalk, (2024). 'NI Attitudinal Poll – NEA' NI.')

Some respondents provided further comment on how their/a member of their household's health and wellbeing has been impacted. These provide further insight into the real-life experiences that the numbers alone can't fully convey:

"I have a lung condition plus anxiety. Both worsened"

"Run down immune system, more colds and coughs"

"Mental health has suffered due to worry about making ends meet"

"Visitors have commented it's cold in my home which prevents visits.

Isolation."



Given the clearly evidenced links between fuel poverty and population-level health, we call on the NI Executive to strengthen this PfG priority by committing to robustly implement NICE NG6 and recommended guidelines on tackling Excess Winter Mortality.

Furthermore, cross-departmental implementation is essential for the success of the new Fuel Poverty Strategy for NI. At a time when the NI Budget is especially challenging, it is even more important that departments seek to work together on cross-departmental issues. Although responsibility for the new Fuel Poverty Strategy sits with the Department for Communities, fuel poverty has a significant impact on health and wellbeing. Therefore, urge the Department of Health to meaningfully engage with DfC and play an active role in implementation of the new strategy.



DOING WHAT MATTERS MOST TODAY: 'PROVIDE MORE SOCIAL, AFFORDABLE AND SUSTAINABLE HOUSING'

Summary:

- NEA NI **strongly agrees** that this priority should be included in the PfG.
- We overall strongly agree with the proposed actions but would like to see further detail included in the final PfG, as well as a greater sense of urgency and some additional commitments.
- We especially welcome the NI Executive's commitment to launch a new Fuel Poverty Strategy by 2025. This must be accompanied by a comprehensive funding and action plan.
- Greater investment in energy efficiency programmes are urgently needed, as well as a statutory fuel poverty target and minimum energy efficiency standards. These should be introduced by the new Fuel Poverty Strategy and the NI Housing Supply Strategy.
- We recommend that the final PfG also details how the NI Executive will ensure that NI benefits from the UK Government's Warm Homes Plan.

Further comments:

A warm home is foundational for a decent standard of living. NEA NI believes that everyone in Northern Ireland should have access to a warm, safe and healthy home. However, an NI-wide representative survey for NEA NI in September 2024 found that 41% of households are currently living in fuel poverty.

The primary factors which cause fuel poverty are widely agreed to be low household incomes, high energy costs, energy inefficient homes, and energy-related behaviour (see Figure 2). Improving domestic energy efficiency is a sustainable long-term solution to addressing fuel poverty as it will lower household energy costs. The provision of more social, affordable, and sustainable housing would reduce fuel poverty by offering energy-efficient homes that require less energy to heat, thereby making adequate warmth more affordable.

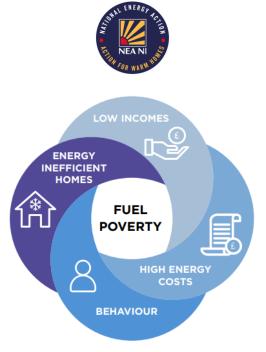


Figure 2: Factors that cause fuel poverty

Energy efficiency improvements offer a tried and tested cost-effective approach to both alleviating the hardships on fuel poor households and reducing household carbon emissions¹⁶. Therefore, it is essential that improving domestic energy efficiency is a priority for the NI Executive.

- We agree that the Northern Ireland Housing Executive (NIHE) should be enabled to increase investment in its homes, including improving energy efficiency. The final PfG should outline when this will be delivered and how many homes will benefit.
- Housing Associations must be supported to move the sector towards net zero
 energy homes, whilst managing affordability for tenants. All new social homes
 should be built to high energy efficiency standards. A plan for this should be
 outlined in the NI Housing Supply Strategy.
- Greater investment in energy efficiency programmes are urgently needed including the NI Sustainable Energy Programme and the Affordable Warmth Scheme.
- Unlike all other parts of these islands, NI currently has no statutory fuel poverty targets and no minimum energy efficiency standards.

¹⁶ For more information on the benefits of energy efficiency measures see: '<u>UK Fuel Poverty Monitor 2022-23'</u>, NEA, pg. 34-37. (Available to download on NEA's website).



A statutory fuel poverty target and minimum energy efficiency standards,
particularly for the private rented sector, should be introduced with urgency and
embedded in the new Fuel Poverty Strategy and the NI Housing Supply
Strategy. These targets should be at least equal to, if not more ambitious than,
the targets established in England and Wales.

There is a clear need for a strategic, cross-departmental, and cross-sectoral approach to tackle fuel poverty underpinned by **a new Fuel Poverty Strategy**.

- In 2023, the <u>NI Fuel Poverty Coalition (chaired by NEA NI) launched a report</u> summarising the key policy priorities and deliverable actions that should be included in the design and implementation of a new Fuel Poverty Strategy.
- We continue to actively engage with the Climate Change Division in the Department for Communities as they develop the new strategy and replacement policy for Affordable Warmth.
- We look forward to responding to the upcoming consultation on the draft Fuel Poverty Strategy (expected in approximately late November 2024).
- We are concerned however that the new Fuel Poverty Strategy could be launched but not adequately funded. This would make it ineffective, no matter how good its content. We call for the new Fuel Poverty Strategy to be accompanied by a comprehensive funding and action plan.
- The final PfG must also commit to the delivery of a replacement scheme for Affordable Warmth by 2026 at the latest.

The draft PfG fails to detail how the NI Executive will continue its **programme of reform of the private rented sector** (PRS) and what it is aiming to achieve. We call for greater detail and also commitment to introduce minimum energy efficiency standards (EPC ratings) in PRS. Also, as part of improving standards in PRS we urge the NI Executive to address the particular vulnerabilities of private renters to fuel poverty.

 Those in the PRS often have little or no agency about their payment type, their heating type and which energy efficiency measures they have installed in their



rental property, yet most often are responsible for the energy bill. This means PRS tenants are likely to see higher energy costs.

 In addition, existing energy efficiency improvement schemes require landlords to match fund up to 50% of the cost of the interventions if they are to avail of a grant. Consequently, take up within the PRS is low. The replacement scheme for Affordable Warmth should outline how landlords will be incentivised to avail of it.

Finally, we urge the NI Executive, as part of this priority, to actively engage with the Department for Energy Security & Net Zero (DESNZ) to ensure that NI benefits from the **UK Government's Warm Homes Plan**. It is imperative that any money allocated to NI from the Warm Homes Plan is spent on improving domestic energy efficiency and tackling fuel poverty.



DOING WHAT MATTERS MOST TODAY: 'PROTECTING LOUGH NEAGH AND THE ENVIRONMENT'

Summary:

- NEA NI strongly agrees that this priority should be included in the PfG.
- We strongly agree with the proposed actions, especially the commitments to
 greater energy independence and better-insulated homes however greater
 detail on how this will be achieved is required in the final PfG.
- We welcome the NI Executive's commitment to climate action but stress the
 importance that our carbon budgets and our first Climate Action Plan are
 implemented in a way that prioritises and protects energy consumers on the
 transition to net zero.

Further comments:

As outlined above in our response to 'Grow a Globally Competitive and Sustainable Economy', the transition to decarbonisation represents a significant change in energy policy in NI and will require consumers to change how they heat and power their homes. This will be a challenging journey for many households as they will be required to learn new skills and adopt new behaviours to make efficient use of emerging technologies. Provisions are needed to support this change and make the transition as simple as possible for energy users. It is imperative that there is clear information, advice, and support for all.

Greater energy independence is vital to achieving long-term affordability and security for NI. However, any shift towards renewable energy sources must consider the specific needs of those living in fuel poverty. Renewable energy generation requires significant upfront investment on the part of a householder. Even where this cost is covered by existing subsidies it is at best part funded, meaning households must find a substantial amount of money upfront to access the low carbon alternatives. This is simply not possible for lower income and vulnerable households. The NI Assembly must play a proactive role in addressing this disadvantage, including through the provision of grants to low income and vulnerable homes to enable them to transition towards decarbonised heat and power.



We commend the assurance that the Climate Action Plan will "recognise the need to ensure that reaching net zero has to be affordable for households and businesses", and that it will provide "a commitment to supporting the **cost** of this transition in a fair and balanced way" (pg. 47). However, no detail has been provided on how this commitment will be fulfilled.

Similarly, we strongly support the emphasis on better-insulated homes as a key part of a Climate Action Plan. Improving home energy efficiency is one of the most effective ways to reduce energy bills and carbon emissions simultaneously. However, once again, detail has not been included – leaving very little for us to provide comment on. We call for the finalised PfG to include detail on how the Climate Action Plan will deliver better-insulated homes and greater energy independence.

Finally, to protect consumers and fuel-poor households, we recommend that NI's first Climate Action Plan is underpinned by the following principles:

- 'Help the Worst First': Government action must be adequately targeted to
 ensure those most in need or considered to be the most vulnerable are supported
 first.
- **'Support a Fabric First Approach'**: Focus on improving homes through the implementation of energy efficiency measures.
- 'Prevent Postcode Lotteries': Make provision to support low income and vulnerable households equally across Northern Ireland.
- **'Embrace a Just Transition'**: Ensuring low income and vulnerable households are empowered to benefit from the decarbonisation journey.



DOING WHAT MATTERS MOST TODAY: PRIORITIES

NEA NI is calling for 'Eradicating Poverty' in Northern Ireland to be included as one of the PfG's 'Doing What Matters Most Today' priorities.

We understand that the other priorities outlined will also help to address poverty, such as taking action to strengthen our economy and increasing the provision of sustainable and affordable housing.

However, for far too long, addressing poverty has not been prioritised by the NI Executive – exemplified by the fact that NI is still without an Anti-Poverty Strategy. The draft PfG does not mention the Anti-Poverty Strategy by name; does not include eradicating poverty as a key priority; does not even mention eradicating fuel poverty; does not have objectives, measurables or targets relating to decreasing poverty over the course of the PfG.

Given the sustained prevalence of poverty in NI, it is paramount that eradicating poverty is included as a standalone priority of this PfG. Especially since these priorities are intended to direct the focus and funding of the NI Executive in the coming years.

An 'Eradicating Poverty' priority should include the commitment to publish with urgency an Anti-Poverty Strategy that supports and dovetails with the new Fuel Poverty Strategy for Northern Ireland.



BUILDING NEW FOUNDATIONS

Summary:

- NEA NI strongly agrees with these commitments made in relation to plans for investment in infrastructure: 'Retrofit Homes', 'Boost Housing Funds', and 'Support Our Net Zero Future'.
- However, as with many other sections of the PfG, the commitments lack detail.

Further comments:

'Retrofit Homes': NEA NI has long been calling for domestic energy efficiency to be an infrastructure priority, as energy efficiency improvements offer a tried and tested cost-effective approach to alleviating fuel poverty and reducing household carbon emissions¹⁷.

We therefore welcome this commit to "facilitate the retrofitting of existing housing stock". However, we are unable to provide any further feedback on this section as no detail has been given about the "proposed domestic retrofit programme" (pg. 62).

For example, no detail has been given regarding when the programme will be delivered, how many households will benefit, eligibility criteria, type of tenure, type of insultation or heating systems offered, incentives for landlords, etc. Is the proposed retrofit programme the same as the scheme being developed to replace the Affordable Warmth Scheme, or is it something different?

'Boost Housing Funds': We agree with the commitment to revitalise the NIHE so that it can invest in its homes, including ensuring its homes are warmer and greener. Access to a warm home is foundational for a decent standard of living, with direct links to positive outcomes in health, wellbeing, education, and employment. The NI Executive should invest in Housing Associations to support them to retrofit existing housing stock and develop new energy-efficient homes.

'Support Our Net Zero Future': As outlined above, NEA NI supports a fair and just transition to net zero, driven by the needs of energy consumers as the priority. This should include, but is not limited to:

¹⁷ For more information on the benefits of energy efficiency measures see: <u>'UK Fuel Poverty Monitor 2022-23'</u>, NEA, pg. 34-37. (Available to download on NEA's website).



- Ensuring all households have access to high quality information and advice about what is required of them and why.
- Provision of grants to low income and vulnerable homes to enable them to transition to decarbonised heat and power.
- Provision of extra support and assistance to transition those reliant on home heating oil towards energy efficiency and new heating technologies.



SHAPING A BETTER TOMORROW

Summary:

- NEA NI agrees with the missions-based approach.
- We endorse the missions of People, Planet and Prosperity, and the cross-cutting commitment of peace.
- It is worth noting that addressing fuel poverty drive progress on each of these missions. This should be made clear in the final PfG.

Further comments:

Progressing action to eradicate fuel poverty is intrinsically linked to progress on each of the missions of people, planet, and prosperity and the cross-cutting commitment to peace. Addressing fuel poverty sits at the intersection of social, environmental, and economic improvement, making it vital to achieving the overarching missions of the PfG.

People – By addressing fuel poverty, we directly improve **people**'s health, well-being and quality of life, and tackle health inequalities and disadvantage.

- 'Making Life Better' committed to 'Safe and Healthy Homes' (Outcome 13) including through interventions that help those most in need and/or in fuel poverty and improving thermal efficiency of housing stock¹⁸. As the NI Executive builds on this strategic framework for public health (pg. 68), reducing NI's high rates of fuel poverty should continue to be a priority in tackling the wider determinants of health.
- The draft PfG commits to the introduction of social inclusion strategies (pg. 67). It is imperative the Department for Communities introduce with urgency an overarching Anti-Poverty Strategy. The finalised PfG should state when this will be. The Anti-Poverty Strategy should support and dovetail the new Fuel Poverty Strategy.
- We welcome that pg. 68 mentions a commitment "to continue work to ensure consumers are not exploited". Protecting and promoting the interests of

¹⁸ Department of Health (2013). 'Making Life Better – A Whole Systems Framework for Public Health, 2013-2023', pp. 87-89.



vulnerable energy consumers is of upmost importance to NEA and underpins our advocacy work. As part of protecting consumers, we are calling the introduction of an **energy social tariff** - a progressive targeted approach to improving energy affordability. We define a social tariff as a discounted, targeted energy bill support aimed at those in greatest need¹⁹.

Planet – Improving domestic energy efficiency and investing in affordable renewable energy will contribute to the planet's health by lowering carbon emissions, aligning with NI's Climate Change Act 2022 commitments.

- Addressing fuel poverty is integral to achieving progress on this mission and the Climate Change Act (Northern Ireland) 2022 ambitious commitments to net zero.
- NEA NI welcomes the Executive's commitment to supporting the 'cost' of a just transition (pg. 70). There can be no shying away from the fact that a fair and just transition will require investment, but this will have long term benefits and is essential to ensure that no one is left behind and that fuel poverty rates improve.
- The new Climate Action Plan (pg. 72) should outline how households will be supported to transition to decarbonisation of heat and power.
- The draft PfG rightly acknowledges that "better-insulated homes will mean lower energy bills for everyone". Practically, this should mean commitment to: continued and increased investment in energy efficiency schemes such as the Northern Ireland Sustainable Energy Programme (NISEP); swift action on a replacement programme for the Affordable Warmth Scheme; working closely with the UK Government on its Warm Homes Plan to ensure any Barnett consequentials are spent here on domestic energy efficiency improvements.
- We urge the Department for Economy to engage closely with DESNZ to ensure NI also benefits from any potential profits from **GB Energy**, to support investment in affordable renewable energy here.

¹⁹ For more information on our policy call for the introduction of an energy social tariff see: <u>'Solving the cost of living crisis: the case for a new social tariff in the energy market'</u>. (Available to download on NEA's website).



- We support a review of the Energy Strategy in 2025 to bring a renewed focus on affordable renewable energy (pg. 74).
- The draft PfG makes a vague reference to plans for "a community energy innovation project" (pg. 74). We request greater detail in the finalised PfG. We also bring to the NI Executive's attention, the example being set by a current partnership project that NEA NI is involved in:

The Sustainable Energy Communities NI (SEC NI) project

Funded by The National Lottery Community Fund, this project aims to empower local communities across NI to take control of their energy futures, promoting sustainable and low-carbon energy solutions.

The project is working across four pilot communities: Mount Vernon Community Development Forum, Ballymacash Sports Academy, Dolmens Climate Action Network and Lisnaskea Community Enterprises.

Prosperity – Economically, reducing fuel poverty stimulates **prosperity** by lowering household energy bills, creating jobs in the green economy, strengthening our energy independence, and reducing strain on public health services. Addressing fuel poverty will support greater sustainability in our public finances.

Peace – Mitigating the financial stress and social inequality caused by high energy costs will strengthen **peace** by building more resilient, cohesive communities, reducing disparities, and promoting equity in the transition to net zero, ensuring that no one is left behind.



UNDERSTANDING MISSIONS BY TRACKING WELLBEING

NEA NI **agrees** with the proposed approach to measure progress on the PfG missions through a Wellbeing Framework, recognising the value of high-quality statistics to help understand and improve quality of life in Northern Ireland. Comprehensive data is essential for informing effective policymaking, resource allocation and monitoring actual changes.

However, it is imperative that these statistics are always framed appropriately to provide a clear and accurate picture of the lived experiences in Northern Ireland. In this regard, one concern we have is the lack of clear explanation around the choice of 'comparison years' used to determine whether indicators are categorised as 'Improving,' 'Staying the Same,' or 'Getting Worse.' As users of the Wellbeing Framework, we believe it is crucial to understand **how these comparison points are selected**, as this will directly impact how progress is assessed. Greater clarity on this process would enable users to trust and fully engage with the framework.

Additionally, we understand that the prototype application is under development and more indicators may be added. We strongly recommend that the following indicators be included to help monitor progress on addressing fuel poverty:

- Fuel Poverty Rate in Northern Ireland²⁰: An up-to-date official measure of fuel poverty is essential to guide policy interventions and measure their impacts.
- Winter Mortality in Northern Ireland²¹: This is a critical indicator for understanding how vulnerable populations are affected by the cold weather and to guide interventions to reduce excess winter mortality.
- Energy Rating of Housing in Northern Ireland²²: Energy efficiency in housing is a key factor in both reducing household energy costs and reducing our carbon emissions. Including this indicator would help track improvements in housing quality and its impact on wellbeing.

²⁰ The most recent official statistic on fuel poverty in Northern Ireland is from the Northern Ireland House Condition Survey 2016. Ad-hoc official statistics have been modelled using this 2016 data to estimate fuel poverty levels in 2020 and 2021. This is available here.

²¹ The latest release of 'Winter Morality in Northern Ireland' is available here.

²² The latest release of 'Energy Rating of Housing in Northern Ireland' is available here.



To further strengthen the monitoring of actual impacts of the PfG 2024-27, we recommend that the final version includes **more detailed timelines and clearly defined targets for the proposed actions**. This will ensure greater accountability and allow for a clearer assessment of progress over time.

Finally, we strongly endorse the commitment on page 58: "Alongside the dashboard, the Executive will be keeping track of delivery and publishing a delivery report each year."

For this annual delivery report to be truly effective, it must be robust, comprehensive, and meaningful, providing clear insights into the real-world outcomes of the policies implemented. It is essential that this report not only tracks progress but also identifies areas needing additional focus to drive meaningful change across NI.



ADDITIONAL COMMENTS

Final Comments on the Funding of the Programme for Government

NEA NI strongly supports the NI Executive's commitment to **advocate for multi-year budgets**, as outlined on page 82. This approach is vital for more effective planning and service delivery, particularly within the voluntary and community sector. While it is noted that single-year funding envelopes will continue for 2024/25 and 2025/26, we urge the NI Executive to make every effort to secure a multi-year budget starting from 2026/27, if not sooner.

Additionally, we welcome the assurance that NI's budget process will prioritise commitments outlined in the PfG, which includes the commitment to launch of a new Fuel Poverty Strategy by 2025 (page 41). We have long expressed concerns about the need for a robust Fuel Poverty Strategy; however, without adequate funding to support its implementation, even the best-laid plans will fall short of their potential. This assurance partially alleviates our concerns, but we strongly advocate that the new Fuel Poverty Strategy is accompanied by a comprehensive funding and action plan to ensure its effectiveness.

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