

Fuel Poverty Strategy
Department for Communities
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By email: fuelPovertyStrategy@communities-ni.gov.uk

17 February 2025

Re: Consultation on a draft Fuel Poverty Strategy

Dear Sir / Madam

I am writing on behalf of the office of the Commissioner for Older People for Northern Ireland in relation to the consultation on a draft Fuel Poverty Strategy.

In April and May 2024, COPNI representatives attended the workshops organised by the Fuel Poverty team at the department and witnessed the knowledge and commitment of the team working on the present strategy. After the workshops, we provided feedback to the team, which later requested to meet to discuss our response.

During the workshops, feedback and meeting with the team, this office raised concerns about how effective the strategy could be. In our feedback, we pointed out that the workshops were excellently organised, but attendees lacked information on funding available to make assessments of the principles that should be prioritised. We pointed out the difficulties that the Fuel Poverty team was facing due to the lack of multiple year budgets and that this circumstance complicated the drafting of a realistic strategy, as resources allocated were subject to year-on-year circumstances. Therefore, it would be almost impossible to plan for long-term improvements.

Having reviewed the present consultation document developed by the team, it is probable that this may be the best strategy that can be developed under the current financial circumstances. The strategy combines clear paths for long-term improvements of the housing stock and protection for vulnerable consumers, taking into consideration the likely financial shortfalls and the absence of multi-year budgets.

In essence, this is a very well thought through strategy that offers a realistic long-term plan. Nevertheless, given the financial constraints, risks are clearly identifiable, both in terms of improvements of the energy efficiency of the housing stock (specially for vulnerable people) and the emergency protections of consumers. Effectively, the action

plan of the strategy relies on funding from private sources, such as the consumers, homeowners and landlords that have the capacity to contribute in a higher proportion, combined with protections for vulnerable people. This pathway obviously carries risks. Although these dangers are frankly acknowledged by the department throughout the consultation document, COPNI will focus on these aspects in this response.

1. CONTEXT: OLDER PEOPLE AND FUEL POVERTY

The Fuel Poverty team has published a strategy that can deliver meaningful change to the issue of Fuel Poverty in Northern Ireland. Throughout this response, it will be stressed that COPNI commends the team for it. However, it is a strategy that has been delivered without a budget and with the prospect of reduced funding in the coming years. The strategy aims to balance carefully three main elements—enforcing stronger regulations, increase funding through sources other than government, and protection of vulnerable consumers.

Despite the cautious and balanced approach of the Fuel Poverty team, a strategy without funding may risk putting additional burden on people who are already struggling with the cost of living. While this office understands the necessity to improve the energy efficiency of Northern Ireland's housing stock, we must stress the need for protection of older people in a context in which the cost of such improvements will be largely supported privately. While we commend the department for its efforts to protect vulnerable consumers, this office must point out that Fuel Poverty is an older people's issue, and therefore, older people and pensioners should always be specially regarded as vulnerable consumers in energy and fuel issues.

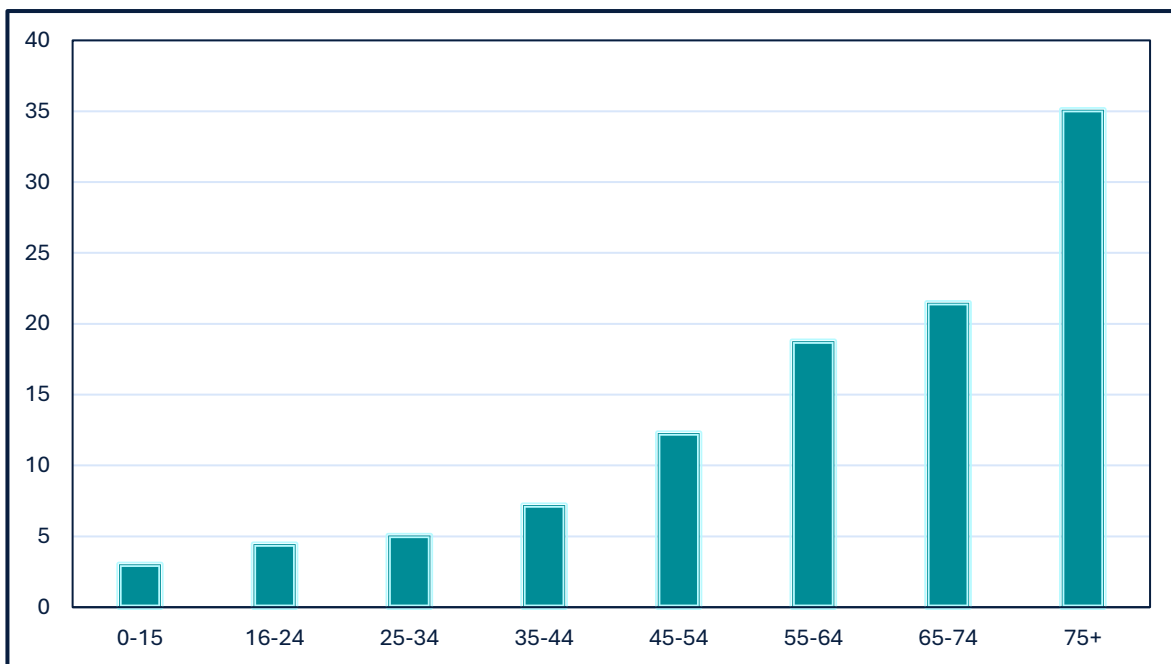
According to the most recently published House Condition Survey (2016), almost four out of ten households (37.7%) in which the Household Reference Person is older than 75 were in Fuel Poverty in Northern Ireland. The likelihood of experiencing Fuel Poverty in Northern Ireland increases with age. According to the 2016 House Condition Survey, the proportion of households in Fuel Poverty was twice as high for older households (33.9%) than for adult households (16.6%) or households with children (15.1%).¹

Older people also experience a higher Fuel Poverty vulnerability than other groups. Older people are more likely to be in low-income households, have long-term health issues and be affected the most by winter excess mortality, legitimising the overrepresentation of older households in the 10% indicator.

¹ Northern Ireland Housing Executive, [House Condition Survey 2016, Main Data Tables \(Excel Format\)](#).

Older households tend to have significantly lower income before and after housing costs than other age groups. According to the Office for National Statistics (ONS), UK households where the main earner is over 60 have an income 22% lower, on average, than those in which the main earner is younger than that age.² Specifically, the income of households with a primary earner over 60 is 17.8% lower than those aged 30–39, 26.6% lower than those aged 40–49, and 25.8% lower than those aged 50–59.³ In Northern Ireland, the Family Resources Survey reports that 58% of pensioner households have an income below £500 per week after housing costs, compared to only 26% of working-age households.⁴ This points at a **drastic reduction in income after retirement** and suggests that older people are more likely to struggle when the cost of living rises. Moreover, the proportion of people that experience long-term health issues increases with age (see Figure 1), which contributes to the higher vulnerability of older people in Fuel Poverty.

FIGURE 1. Health Problem/Disability (Long-term). Day-to-day activities limited a lot⁵



² See Office for National Statistics, [Household disposable income by age group 2022](#).

³ See Office for National Statistics, [Household disposable income by age group 2022](#).

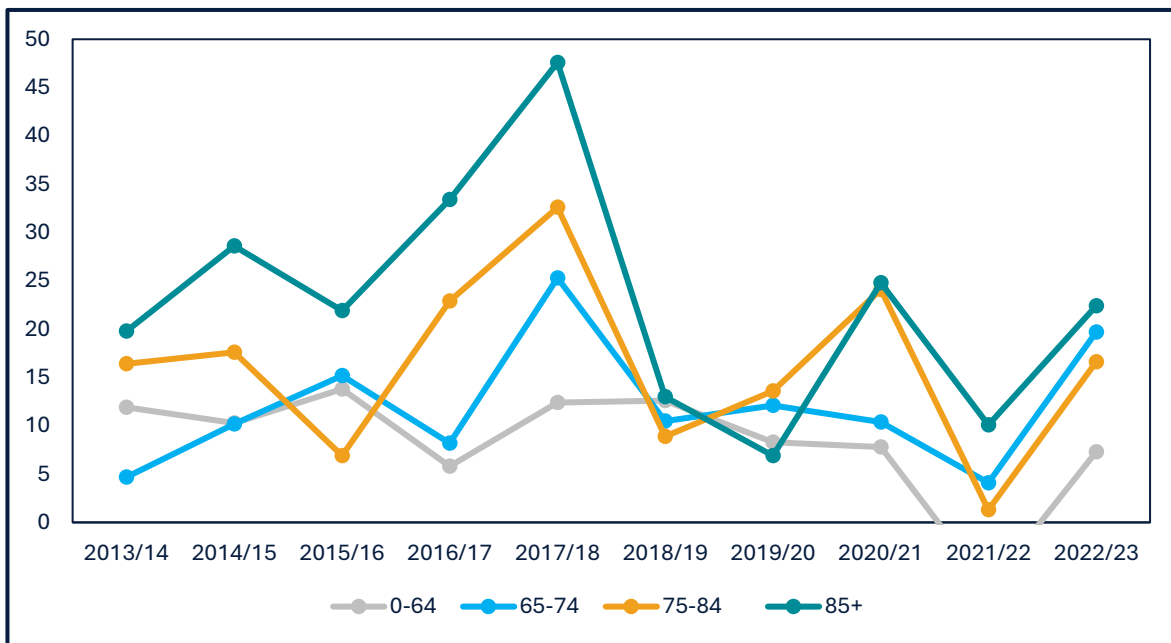
⁴ Data obtained from the Family Resources Survey through the [UK Data Service](#). Household Dataset, Northern Ireland, Household total, Gross Income from all sources (in bands with 100 widths) in latest prices (weekly, CPI adjusted real terms), by Type of adult of the head of the household (Working Age or Pensioner).

⁵ NISRA, [Census 2021. Health Problem or Disability \(Long-term\) by Age - 8 Categories](#).

Similarly, older people are more likely to be at risk of suffering health issues due to cold, as indicated by rates of Excess Winter Mortality.⁶

The excess mortality in older age groups is consistently higher than in younger age groups in Northern Ireland (see Figure 2), with the exception of the COVID-19 pandemic, due to the higher mortality of the illness on older people, and the impact of this virus all year round.

FIGURE 2. Excess Winter Mortality index by age group⁷



One of the most important forms of support that older people previously received was the Winter Fuel Payment. As the consultation document recognises, the majority of pensioners have ceased to receive Winter Fuel Payment, after a decision was made to make it means based and linking it to Pension Credit.

In 2019/20, 66,300 individuals in Northern Ireland claimed Pension Credit, representing approximately 20% of the older population, according to statistics of the Department for Communities (DfC).⁸ However, 34% of older households experience Fuel Poverty,⁹ which means that many older people who are ineligible for Pension Credit still face Fuel Poverty. Even with the increased uptake of Pension Credit prior to winter 2024, many

⁶ See [Excess winter deaths - NHS](#)

⁷ NISRA [Excess Winter Mortality Tables 2022-23](#)

⁸ Department for Communities, [Pension Credit: Estimates of Benefit Take-up - 2019/20](#).

⁹ Northern Ireland Housing Executive, [House Condition Survey 2016, Main Data Tables \(Excel Format\)](#).

pensioners in Fuel Poverty will be left out from accessing the support provided by the Winter Fuel Payment.

Moreover, linking the Winter Fuel Payment to Pension Credit may exclude extremely vulnerable individuals who are not receiving Pension Credit. Notably, the department reported that in 2020, 28% of those entitled to Pension Credit—around 26,300 individuals—did not claim it,¹⁰ often because they are unaware of available support. In other words, Winter Fuel Payments are not taken just from wealthy pensioners, but also from the most vulnerable.

The total value of the Winter Fuel Payment would not cover the total increase of the cost of energy in Northern Ireland over the past three years. Therefore, the elimination of the Winter Fuel Payment adds a new layer of vulnerability to older people in a context of spiralling rising costs. According to the statistics of the Department for Energy Security and Net Zero, the average yearly cost of fuel in cash terms in Northern Ireland increased by £410 since 2021 (and £208 in real terms). This is beyond the support provided by the Winter Fuel Payment. The £100 mitigation payment remains short of keeping up with the energy price inflation that has been recently experienced by NI consumers, among which older people are especially vulnerable.

TABLE 1. Average annual domestic standard electricity bills in cash terms (NI)¹¹

2017	2018	2019	2020	2021	2022	2023	2024
520.87	562.21	631.31	656.02	699.40	1012.09	1102.79	1110.39

In conclusion, older people legitimately require special protection status when it comes to Fuel Poverty. Older people are the most vulnerable group in all metrics associated with Fuel Poverty, and at high risk of suffering the devastating consequences of it. As this strategy is focused on improving Fuel Poverty through increasing investment primarily from private sources such as consumers or landlords, it is absolutely essential that older people and pensioners are given special protection status.

2. MAKE HOMES MORE ENERGY EFFICIENT

The department has opted to prioritise “raising and appropriately enforcing housing standards” (Objective 1). One of the difficulties that was identified during the workshops was that energy costs in the short term often delayed long-term improvements.

¹⁰ Department for Communities, [Pension Credit: Estimates of Benefit Take-up - 2019/20](#).

¹¹ Department for Energy Security and Net Zero (2024) [Average annual domestic electricity bills for UK countries](#). In cash terms for UK countries based on consumption of 3,600kWh/year.

Consumers who are unable to make long-term improvements to their homes due to the need to afford short-term bills are likely to face progressively higher bills. Therefore, it was of the essence that the new strategy combined emergency relief with a long-term approach to improve the energy efficiency of low-income households. Consequently, we welcome that the department has opted for prioritising objectives in pursuit of this end by “improving energy efficiency for vulnerable households” through increased “investment in energy efficiency schemes for vulnerable households”.

We recognise the importance of improving the energy efficiency of homes to combat Fuel Poverty. During our engagement with the Fuel Poverty team in the spring of 2024, we discussed the need for long-term improvement, as short-term interventions tend to be more costly than longer-term responses. However, during those conversations, we also recognised the difficulties of prioritising long-term support over emergency relief, especially with the recent sharp rises in cost of living and cost of energy. All of this, combined with a lack of proper funding and with year-on-year budgets, restricts the options of the Fuel Poverty team to develop a plan to improve energy efficiency of homes.

In addition to the lack of multi-year budgets, the current financial situation of the department and its prospects are also significant barriers. The department’s total resource DEL has remained stable in nominal terms and decreased significantly in real terms during the past decade, which has caused difficulties in implementing effective Fuel Poverty interventions.

TABLE 2. DfC total resource DEL (2016-2025)¹²

	24/25	23/24	22/23	21/22	20/21	19/20	18/19	17/18	16/17
DEL	856.0	861.6	853.0	876.3	823.8	873.9	903.1	872.7	871.2

This has had an effect on the Affordable Warmth Scheme, which saw a 50% reduction in the 24/25 Budget in relation to the previous year.¹³ Being aware of this reality, we have highlighted our concern to the Fuel Poverty team that any plan that would rely on future funding increases would be unrealistic.

A primary concern during our previous engagement with the Fuel Poverty team was the absence of a medium to long-term plan. In our response to the workshop feedback, we stressed that running a strategy without a long-term budget was likely to result in extreme operational inefficiencies.

¹² Department’s budgets for [24/25](#), [23/24](#), [22/23](#), [21/22](#), [20/21](#), [19/20](#), [18/19](#), [17/18](#), [16/17](#).

¹³ Department for Communities (2024) [Budget 2024-25 Equality Impact Assessment](#).

The workshops provided neither a financial analysis of the old strategy, nor a financial forecast for the new strategy. Attendees often pointed out the difficulties of making suggestions without having information about funding, and this concern was understood and shared by department officials, who communicated the difficulties they faced when working with short-term budgets ... Worryingly, this financial uncertainty and lack of planning is likely to be reflected in the final drafting of the strategy. Moreover, many of the commitments made in the strategy will never be met if sufficient funding is not provided.¹⁴

In our engagement with the team, we discussed the benefits that a multiple-year budget would make to the capacity of the department to plan and deliver, and to adjust the levels of emergency relief and improvement of housing stock to the available resources well in advance. Real planning can only be done in advance, and it is hard to develop a proper plan to improve Fuel Poverty in Northern Ireland if there is no forecast of the funding that will be available to implementing it. For this reason, we enthusiastically support the call for “government funding”, which specifies that “a multi-year budget is necessary to ensure that schemes are both long-term and sustainable.”¹⁵

2.1 Private renters and homeowners

Protections afforded by the Fuel Poverty strategy are especially important for low-income households that cannot afford long-term improvements, and especially for those in the Private Rented Sector (PRS). Limited security of tenure makes it difficult for tenants to challenge landlords to make home improvements. It also leaves rental properties prone to disrepair, due to the lack of incentives that private landlords currently have to improve the energy efficiency of their home (as the cost of higher bills will be paid for by the tenant).

Older private renters are far more vulnerable than people in other age groupings. Older renters face the same issues of insecurity of tenure as any other renter, but with additional barriers intrinsic to their age. First, their income is lower (as shown in section 1 above), so they tend to be more vulnerable to rent increases and to house price inflation. Second, older private renters are unlikely to have the alternative of a mortgage, which makes them more vulnerable to insecurity of tenure. Third, due to an absence of age discrimination legislation, older private renters can be excluded from accessing certain properties due to age. Finally, the stress associated with moving homes is greater in old age, and insecurity of tenure is arguably more worrisome for an older person. All these

¹⁴ Commissioner for Older People for Northern Ireland (2024) [Fuel Poverty Strategy Workshop Feedback](#); pages 3-4.

¹⁵ Department for Communities (2025) [Consultation on a draft Fuel Poverty strategy](#); page 25.

issues are likely to increase in the future, as the number and proportion of older people in the PRS is growing steadily (from 12,386 in 2011¹⁶ to 17,627 in 2021¹⁷).

We therefore welcome the proposed introduction of the “Minimum Energy Efficiency Standards” for the PRS, which will be especially beneficial for older people, as they require higher standards of energy efficiency due to their vulnerability. It is important that these minimum standards are enforced so that older people—and tenants in general—are not forced to negotiate these standards unilaterally with landlords, who effectively hold the power to evict with little notice.

It is difficult to evaluate the issue of extending these standards to other tenures and updating fitness standards (Questions 5 and 6). This development may have greater impact on homeowners that have “some” financial capacity to improve their properties but are not in a comfortable financial position. Such measures will put pressure on homeowners, and their ability to respond to that pressure would depend on their resources and capacity to make the improvements. It can be argued that enforcing energy efficiency improvements through the introduction of minimum standards will have positive long-term benefits for homeowners, but the impact that such measures will have in the short term for those who (although not extremely vulnerable) still face difficulties must be thoroughly examined. Given the vulnerability of pensioners, as discussed in section 1 of this response, this office believes that older people should be given the consideration of vulnerable consumers in this matter.

2.2 The new Affordable Warmth Scheme

Objective 2 aims to “Increase investment in energy efficiency schemes for vulnerable households” and includes the plan to replace the “Affordable Warmth Scheme” with a “more ambitious” strategy going forward. This ambitious proposal is dependent on the availability of resources. The strategy states that “investment in energy efficiency must increase significantly” and offers some proposals to expand revenue that seem realistic but should be given due consideration in light of a range of issues.

First of all, regarding the discussion on eligibility criteria (page 22), annual household income is criticised in the consultation document as a bad indicator of a household’s economy, and disposable income is presented as a better option. For COPNI, both indicators have positive aspects and issues. Annual household income may fail to capture household size, while disposable income may fail to adequately capture living conditions (people in smaller houses that are quicker to heat may have higher disposable income

¹⁶ NISRA 2011 Census Commissioned tables ([NI population by tenure](#))

¹⁷ NISRA 2021 Census, [Household: Tenure - 5 Categories by Age - 4 Categories](#).

but worse living conditions). Household size and characteristics could be considered, perhaps through a ratio (income/household size) that considers other factors such as the energy efficiency of the house. Receiving benefits and pensions should also be used as indicators of vulnerability. In addition, any indicator used should be adjusted to levels of inflation using an index such as the Retail Price Index, as proposed by the Fuel Poverty team.

In relation to other aspects of the new scheme, such as the Whole House, low carbon approach and prioritising rural properties that have less access to gas sources, we welcome all the proposals.

Regarding additional sources of funding, the department makes reasonable suggestions to obtain funding for housing associations and landlords, such as a system of loans for landlords to improve the energy efficiency of the housing stock in the PRS. However, due consideration must be given to levies from electricity and gas bills to fund energy efficiency schemes for low-income households. While we understand that the strategy aims to implement meaningful changes without the prospect of increased budgets, it is obvious that such measure will not be welcomed enthusiastically by consumers and that some of them may be put at risk by such measure. Therefore, vulnerable consumers should be adequately protected against the levies, and the protection criteria should be made very clear in advance.

On the other hand, consideration must be given to the levies regarding incentives to move to low carbon options, which aims to making electricity more expensive relative to gas. The move to low carbon options and more energy efficient schemes is a matter of relative financial capacity to carry out home improvements. Improvements that lead to long-term savings are more likely to be made by higher earners than lower earners, as the latter are more concerned with paying short-term bills. Therefore, by applying higher levies on electricity as compared to gas, an excessive burden will be placed on medium/low-income households that although not excessively disadvantaged, are unable to fund conversion to low carbon options. In section 9 (Protecting Consumers), the consultation document addresses this issue, and we welcome that this strategy is attentive to all possibilities.

“It may be necessary to implement energy cost mitigation measures if decarbonisation policies have imbalanced or unfairly distributed impacts on energy bills for different groups of people.”¹⁸

We support this vision but urge caution. While vulnerable households could benefit from the revenue raised through levies, there will be a range of other lower-income

¹⁸ Department for Communities (2025) [Consultation on a draft Fuel Poverty strategy](#); page 38.

households that have high energy needs but would lose out as compared, for instance, to higher earners that can afford home improvements. Levies would rely heavily on the first group, and this raises the vista of progressivity in levies, or other avenues to ensure that the highest contributions are made by those who can contribute more (perhaps through an income/household size ratio, etc.).

Overall, while we commend the effort of the department to find ways to protect vulnerable consumers while making home improvements, the fact that the strategy has to independently find funding sources carries the danger of overlooking the potential burden on lower/middle classes. This is especially concerning for older people, as they are at a higher risk in any of the defining factors of Fuel Poverty (income, health conditions and winter mortality). It is therefore essential to give them additional protection.

3. CONSUMER PROTECTION

During the workshops conducted in 2024, the Fuel Poverty team discussed with stakeholders what the priority should be between emergency support and improvement of the housing stock. The department has chosen to prioritise improving energy efficiency. While this decision is understandable, it may cause challenges in the short term due to the fact that emergency relief may be more necessary than ever due to energy costs and the absence of Winter Fuel Payment.

Consumer protection requires a targeted approach and funding. For this reason, reinstating the Winter Fuel Payment or guaranteeing additional mitigations or other forms of support for pensioners is an urgent task, and the changing needs for emergency relief should be closely monitored.

4. GOVERNANCE AND ACCOUNTABILITY

COPNI agrees that the data available to monitor the progress of the strategy must improve significantly as compared to the available data to date. Since 2011, when the previous strategy was released, only two House Condition Surveys have been released (2011 and 2016). The latest HCS data published was obtained nine years ago. The lack of information available has resulted in a lack of adequate monitoring of the effect and impact of the strategy.

While this office understands the concerns of some stakeholders over the term “Fuel Poverty”, we do not agree with changing it for alternatives such as energy wellbeing. We believe that experiencing Fuel Poverty is a serious situation. Anyone who has

experienced living in a house with dampness, mould and condensation, and unable to heat it to a minimum standard, understands the gravity of such circumstances. It is the living conditions and not their nomenclature that makes the situation undignified. If anything, Fuel Poverty is an accurate description of the situation that many people experience, much more accurate than, perhaps, “people who lack energy wellbeing.” In addition, the term poverty makes us all much more aware of the unacceptability of the situation and the need to change it.

5. CONCLUSION

This is a well-considered strategy that offers a realistic plan to combat Fuel Poverty in Northern Ireland, subject to the limitations of single year budgets and the likelihood of reduced funding in the coming years.

Given the acute vulnerability of older people in terms of Fuel Poverty it is vital that older people are given special status regarding Fuel Poverty vulnerability, with the appropriate policy safeguards to ensure their wellbeing.



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