

Consultation response on the policy options for Northern Ireland's Energy Strategy

By the Chartered Institute of Housing Northern Ireland

This is a response to the consultation by the Department for the Economy on policy options for Northern Ireland's Energy Strategy



Comments

CIH welcomes the opportunity to respond to the Department for the Economy's consultation on policy options in relation to Northern Ireland's Energy Strategy. As a membership organisation representing housing professionals in Northern Ireland, our response relates to domestic properties, protecting tenants, communicating the change and the upskilling of housing professionals to implement the changes in the years ahead.

CIH recognises that many of the elements within the strategy are inter-connected and that meaningful and lasting change will require cross-sectoral agreement and partnership working.

The housing sector in Northern Ireland has a significant role to play in the contribution to the UK's net-zero target by 2050 given that our homes generate around <u>15 per cent</u>¹ of carbon emissions per annum. CIH agrees with the department's proposed timeframe of reaching net-zero carbon and affordable energy by 2050 in line with the UK legislation and subsequent advice from the <u>Climate Change Committee (CCC)</u> as the statutory advisors to the UK Government and devolved administrations.

A just transition

CIH strongly supports the department's concept of "enabling and protecting" consumers. As we continue to improve the energy efficiency of our homes in a bid to tackle rising consumption levels, decarbonisation must be scaled up to change how our homes are heated through the implementation of renewable technologies across all housing tenures; this change will come at a cost. It is the

¹ Northern Ireland and Net Zero, Assembly Research and Information Service Briefing Paper, *The Northern Ireland Assembly*, published 1 March 2021, p. 16. http://www.niassembly.gov.uk/globalassets/documents/raise/publications/2017-2022/2021/aera/1421.pdf



firm view of CIH that this cost must not be passed on to low-income consumers, which risks pushing households into further poverty.

We would urge the department to ensure that any adverse policy impacts are mitigated at an early stage, particularly for tenants who privately rent or for property owners who are heavily mortgaged. CIH would ask that consideration be given to financial measures, similar to that of the boiler replacement and warm homes scheme which saw an £117m investment into privately rented homes², be built into any financial package moving forward.

Additionally, thought should be given to the incentivisation that previously encouraged consumers to move away from solid fuels in the past, which was accelerated by low fuel prices. Whilst we recognise the department has no power over market prices, consideration should be given to how the NI Executive can fund these changes to encourage households to quite literally 'buy-in' to changing technology.

Fuel poverty

Currently the percentage of households living in fuel poverty in Northern Ireland is much greater in comparison to that of England and Wales.³ The House Condition Survey (2016) estimated that an approximate 22 per cent of households in Northern Ireland were in fuel poverty.⁴ Whilst the contributing factors are complex and the solutions multi-faceted, the NI Executive must match any decarbonisation ambitions with significant investment to ensure that no household faces falling

² House Condition Survey 2016, *NIHE*, p.17, <u>https://www.nihe.gov.uk/Documents/Research/HCS-2016-Main-Reports/HCS-Main-Report-2016.aspx</u>

³ Northern Ireland Fuel Poverty Coalition, <u>http://fuelpovertyni.org/</u>

⁴ House Condition Survey 2016, *NIHE*, p.17, <u>https://www.nihe.gov.uk/Documents/Research/HCS-2016-Main-Reports/HCS-Main-Report-2016.aspx</u>



into, or plunged further into, fuel poverty as a result of the decarbonisation of our homes, either through retrofitting costs or new installations.

Communicating the change

CIH strongly supports the department's concept of 'enabling' consumers as well as the establishment of a new "one stop shop" for information, technical advice and relevant support. CIH suggests that a similar approach to that taken by the Department for Communities' <u>'Make the Call'</u> service, which supports people in accessing benefits and services to which they are entitled but have not been previously claiming, should be explored when helping people to ascertain which funding is available to them.

EPC ratings

As it stands, progress is being made towards improving the energy efficiency of our homes with around 49 per cent achieving an EPC C rating or above. However, this progress is not uniform. 79 percent of social rented homes already achieve this, compared to the 45 per cent of owner-occupied homes and 43 per cent of private rented homes.⁵

CIH agrees that EPC ratings should be used to set minimum energy efficiency standards (MEES) for domestic properties in Northern Ireland. It is our view that there should be a uniform standard across all tenures; any differential in standards between those privately renting, domestic homeowners and social housing tenants would be unsatisfactory.

⁵ ibid, appendix table 7.21



Currently, one of the stipulations for obtaining a valid HMO license in Northern Ireland is for a property to have a minimum EPC E rating; such regulation offers an opportunity to ensure that standards are met before issuing licences for such properties. As previously stated, the NI Executive must ensure significant investment to ensure such costs do not trickle down to tenants i.e., through rent increases.

An upskilled workforce

It is vital that the department put a strategy in place, with sufficient funding, to upskill our workforce in Northern Ireland. There is an acute need for an increase in installers to retrofit existing buildings with energy efficiency and clean heat measures.

CIH welcomes the department's recognition of the importance of working with professional bodies to identify and address skills requirements for this work to begin taking place at pace.⁶ As the professional body for housing, CIH is willing to engage with the department on this element of workforce accreditation within the final strategy.

We are also keen to emphasise the importance of the sectoral partnerships to the success of the strategy, and we are keen to ensure our training and qualifications in housing management cover elements of the final strategy where relevant.

The success of the strategy will also depend on behavioural change. People will have to operate their heating in completely different ways. Education and training more broadly will be crucial to the success of new technologies, so we prevent

 ⁶ Energy Strategy for Northern Ireland Consultation on Policy Options, *Department for the Economy*, 2021, p.
83. <u>https://www.economy-ni.gov.uk/consultations/consultation-policy-options-new-energy-strategy-northern-ireland</u>



some of the current experiences where homes are built to high energy efficiency standards, but residents and/or contractors may not have the knowledge to effectively work with the technology.



About CIH

The Chartered Institute of Housing (CIH) is the independent voice for housing and the home of professional standards. Our goal is simple - to provide housing professionals and their organisations with the advice, support, and knowledge they need to be brilliant. CIH is a registered charity and not-for-profit organisation. This means that the money we make is put back into the organisation and funds the activities we carry out to support the housing sector. We have a diverse membership of people who work in both the public and private sectors, in 20 countries on five continents across the world. Further information is available at: www.cih.org.

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