Policy Recommendations for the Energy Poverty Action Plan Consultation

Robert Emmet CDP & SICCDA 6th May 2024

The Government's recent Energy Poverty Action Plan defines energy poverty as: "... an inability to heat or power a home adequately" (Department of the Environment Climate and Communications, 2022a:6).

Two relative points are of primary importance in this regard:

- a) The environmental performance of the home and the consequent cost to the tenant to adequately heat the home
- b) The net household income of the tenant and, consequently, the households ability to pay costs to adequately heat the home

This submission is made within the geographical context of South West Inner City Dublin (SWIC) by Robert Emmet CDP & SICCDA. Policy suggestions made in this submission are largely based on based on a template kindly shared by Friends of the Earth Ireland.

The environmental performance of a tenants home and the consequent cost to adequately heat the tenants home

While a remarkable amount of development has taken place in housing standards in the SWIC in recent years a significant proportion of housing continues to be significantly substandard- 20% of housing managed by DCC has a rating of either 'Fair/Poor', 'Poor/Very Poor' or 'Requires Immediate Intervention' (Estate Renewal Presentation to SPC, DCC Housing, May 2023).

Condition of Complexes

Condition of Complexes		%	Descriptor				
Excellent	24	12%	No maintenance issues				
Extremely Good	22	11%					
Very Good	27	14%	Limited maintenance issues				
Good	22	11%	Some maintenance issues but nothing of significance				
Good (Emerging Issues)	28	14%	General wear and tear. Emerging maintenance issues				
Good/Fair	13	7%	Emerging maintenance issues with some serious				
Fair	25	13%	Regular maintenance issues				
Fair/Poor	27	14%	Regular maintenance issues that are beyond general upkeep				
Poor/Very Poor	6	3%	Regular maintenance issues that cannot be resolved without invasive work				
Requires Immediate Intervention		3%					
TOTAL	199**						

Housing conditions have a direct impact on the health of tenants. Individuals exposed to inadequate conditions can be expected to have inferior health outcomes when compared to individuals that enjoy adequate or higher conditions- a recent TCD report on Respiratory Health found incidences of respiratory illness occurring at 2.4 times the level among individuals with an address in Oliver Bond House when compared to individuals attending the same medical practice with an address elsewhere in Dublin 8 (Respiratory Health Among Residents of Oliver Bond House, TCD School of Medicine, February 2024).

Housing conditions also directly impact financial outcomes for tenants, a home with an 'A1' rating is expected to have primary energy consumption of less than 25 kWh/m2 /year, while the worst rated 'G' property is greater than 450 kWh/m2 /year.

If 48msq unit is taken as an example- the standard size of social housing units built by DCC during mid century that still make up a significant element of SWIC housing portfolio- and the tenant is required to pay current standard price per kWh of 35.83c a tenant living in an 'A' property can expect to have an annual energy bill of €429.96 whereas a tenant living in a 'G' property can expect to have an annual energy bill of €7,739.28.

In short, individuals living in older social housing complexes in the SWIC such as Oliver Bond House, St. Audoens House, Basin Lane, Mary Aikenhead House, Emmet Buildings etc can be expected to be paying an astonishing 3327% more than tenants of newer D8 developments to adequately heat their home and create conditions that can be expected to host positive health outcomes.

The net household income of the tenant and, consequently, the households ability to pay costs of adequately heating their home

Unfortunately, it is not within the parameters of this submission to establish the median income across various SWIC housing complexes to develop an understanding of the affordability of energy locally. It would appear to be important that DECC work with partner government departments to develop a granular understanding of income levels relative to environmental performance of housing units in order to develop a realistic understanding of energy poverty and steps required to alleviate this. In the absence of such an understanding, the table below ('The Cost of Adequately Heating the Home, Vincentian MESL Research Centre') shows the minimum energy expenditure as percentage of net income for a cross section of household income types.

Table 7	Minimum energy expenditure as percentage of net household income									
Household	Scenario		E1-E2	D1-D2	C2-C3	C2 (MESL)	B3-C1	A1-B2		
SA	SW	PAYG	28.2%	24.2%	21.3%	20.1%	19.0%	16.5%		
TP	SW	PAYG	23.0%	19.1%	16.4%	14.9%	14.4%	10.7%		
OP	SW	PAYG	28.9%	24.0%	20.6%	18.8%	18.2%	13.6%		
SA Older	U	PAYG	57.1%	44.2%	35.3%	30.4%	28.7%	16.6%		
SA Older	R	PAYG	37.9%	29.4%	23.9%	21.3%	20.0%	14.0%		
SA	SW	Bundle	23.4%	19.8%	17.2%	16.1%	15.1%	12.8%		
TP	SW	Bundle	19.3%	16.1%	13.8%	12.6%	12.2%	9.1%		
OP	SW	Bundle	24.3%	20.3%	17.5%	15.9%	15.4%	11.6%		
SA Older	U	Bundle	48.3%	37.2%	29.5%	25.2%	23.8%	13.3%		
SA Older	R	DD	36.0%	27.6%	22.1%	19.5%	18.1%	12.1%		
SA	NMW	PAYG	15.7%	13.5%	11.9%	11.2%	10.6%	9.2%		
TP	NMW	PAYG	18.4%	15.3%	13.1%	11.9%	11.5%	8.6%		
OP	NMW	PAYG	17.4%	14.5%	12.4%	11.3%	10.9%	8.2%		
SA	NMW	Bundle	13.0%	11.0%	9.6%	9.0%	8.4%	7.1%		
TP	NMW	Bundle	15.5%	12.9%	11.1%	10.1%	9.7%	7.3%		
OP	NMW	Bundle	14.6%	12.2%	10.5%	9.6%	9.3%	7.0%		

It can be expected that a significant proportion of households in SWIC Dublin- based on employment figures, level of single parent families and BER ratings can be expected to be paying at the upper quadrant of 28.2% or even higher on energy bills per year.

A simple calculation- this does not take into account additional energy allowances or incentives made available through the DSP- would suggest that a single unemployed adult availing of social welfare payments (€12064 p/a) living in a standard 48sqm 'G' apartment, heating their apartment to an adequate standard and paying standard rate for energy (€7,739.28 p/a) would require to spend a completely unrealistic and unsustainable 64.15% of their annual income on energy costs!

The following are a number of policy suggestions to enhance a new iteration of DECC's 'Energy Poverty Action Plan'.

Energy Poverty Action Plan Policy Suggestions

1. Increase Social Housing Retrofitting

- Social housing tenants are the cohort most at-risk of energy poverty. Currently just 25% of local authority housing is to be retrofitted by 2030.
- Government must increase ambition on social housing retrofitting by:
- a. Setting a new target to retrofit all social housing by 2030
- b. Retrofitting the least-efficient social housing units first
- c. Increase funding for local authorities to retrofit & provide support for tenants undergoing this process
- d. Further support the installation of renewable technologies within the social housing stock. E.g. solar PV or through an acceleration of the roll out of innovative approaches such as Energy Cloud. Support the management of such projects as social enterprises led by community organisations. Work with DHLGH and relevant county councils to encourage the delivery of pilot projects as part of regeneration projects
- e. Explore microgrid solutions to enhance energy resilience and reduce dependence on centralised power sources https://www.tandfonline.com/doi/full/10.1080/17549175.2022.2116471
- f. Energy poverty considerations need to be integrated into all housing policies and planning processes to ensure that energy affordability and sustainability are prioritised.
- g. Establish energy affordability programmes that provide financial assistance, subsidies, or discounts on energy bills for low-income households

2. Tackle Cold Homes for Renters

- Tenants in the private rental sector currently have no agency over household insulation levels, and can fear the risk of eviction or rent increases as a result of retrofitting
- To address energy poverty in the private rental sector:
- a. Outline a plan for introducing minimum BERs in the private rental sector
- b. Expand the Warmer Homes Scheme to ensure all low-income households in low BER homes are eligible, regardless of home ownership status. This should include tenants receiving HAP, on the condition of a long-term lease being offered.
- c. Outline explicit protections for renters against "renovictions"

3. Energy Advice & Retrofit Support for All

- Access to information and support with accessing retrofitting & renewable energy remains a barrier for many people.
- To address this:
- a. A Community Energy Advice Service should be set up in each local authority to support people with retrofit grant applications, to work with NGOs to target free retrofit schemes to people most inneed.

This service should also:

Provide education and training programmes on energy saving practices to empower residents to reduce their energy consumption and lower their utility bills

Conduct outreach programmes and workshops to raise awareness about energy efficiency practices, guide to energy-saving and available support services to empower residents to make informed decisions about energy usage and reduce wasteful consumption. A high number of residents living in social housing would have prepay options and top up their electricity metre which are valuable from a budgeting perspective but can charge higher usage rates.

Ensure accessibility of government schemes and support residents to navigate available assistance programmes available to them.

agreements be made with energy suppliers for a lower tariff for those who are vulnerable to alleviate financial burden and prevent disconnection from services

b. Capacity should be built for existing groups like sports clubs or community groups to co-develop retrofitting and renewable energy solutions that are tailored to the needs of their local communities.

4. Prevent Fossil Fuel Lock-in for Low Income Households

- The government continues to install fossil fuel heating systems into households through the Warmer Homes scheme, locking them into fossil fuel dependence for these households for the next 10-15+ years.
- To address fossil fuel lock in for low-income households:
- a. Funding for the SEAI Warmer Homes Scheme should be increased to ensure all homes retrofitted under this scheme are heat-pump or district heating ready to prevent long term fossil fuel lock-in for low-income households.
- b. Fully subsidise the costs of BER assessments and the technical assessments required for the installation of a heat pump

- c. Offer free or discounted energy audits in all homes to identify areas for improvement in energy usage
- d. Establish monitoring mechanisms to track progress, evaluate the effectiveness of interventions, and adjust policies accordingly based on feedback from residents and stakeholders.