



**Friends of
the Earth**

Friends of the Earth Ireland

Submission to the Roadmap for Social Inclusion: Mid-Term Review

October 2022

Introduction

Friends of the Earth welcomes the opportunity to respond to the consultation on the Roadmap for Social Inclusion mid-term review. Friends of the Earth Ireland is a community at the heart of the growing movement for a just world with zero pollution. We are part of the world's largest grassroots environmental network. We campaign and build movement power to bring about the system change that is needed for a just world where people and nature thrive. We promote education and action for environmental sustainability and justice and focus on Ireland's response to the big environmental challenges of our time, including the climate emergency and the achievement of the Sustainable Development Goals. We support people and group working autonomously to connect their local work to the bigger national and international picture. We have particular experience in participatory education, campaign strategy, shaping public debate and driving policy change.

As the Government ramps up climate action, they must aim to enact policies that benefit the climate, poverty, and inequality: a triple win. This is critical because, as well as hindering socio-economic development¹, unchecked inequality can lower public support for the energy transition by putting the highest costs of climate mitigation on lower-income groups, who are those least responsible for climate change.²

The below recommendations set out how the Roadmap for Social Inclusion can align both with Ireland's climate objectives and targets, while reducing energy poverty. This has potential to ensure all households have access to clean and affordable energy and warm, healthy homes as we make the transition to a zero-carbon future.

¹ <https://www.oecd.org/newsroom/inequality-hurts-economic-growth.htm>

² <https://wir2022.wid.world/chapter-6/>

1. Home Energy Upgrades

The National Retrofit Plan and SEAI grants must target home energy upgrades to prioritise low-income households and those in, or at-risk of, energy poverty first in national retrofitting efforts. Additionally, energy efficiency policies are currently poorly targeted and do not account for the profile and needs of vulnerable households in the Private Rental Sector. This means that energy poverty is not only a matter of uneven distribution; it is a wider socio-political injustice, because many energy efficiency policies can reinforce existing social and systematic inequalities and injustices.

Friends of the Earth recommends:

- i. Increase targets and prioritise deep retrofits and solar PV for local authority-owned social housing this year with a view to retrofitting all social housing to a B2 standard by 2030. This can act as a launch pad to scale up skills and supply chains which can subsequently be rolled out to serve other tenures, including the owner-occupied sector. Social housing and public buildings can provide the scale needed to give the market confidence, with the potential for ten-year pipelines of work, and benefits from a small number of regulated portfolio owners who are experienced in organising home upgrades.³
- ii. Increase the individual grants available for low-cost, low-hassle improvements, such as cavity wall and attic insulation, from 80% to 100% for those at risk or suffering from energy poverty.
- iii. Target energy poverty in rural areas by setting up a dedicated retrofitting and community engagement programme for households solely relying on solid fuel heating systems.
- iv. The Government should explore a sliding scale of grants and low-cost loans for deep retrofits based on an income assessment such that lower income households could avail of close to full funding for deep retrofits.
- v. Deploy Local Community Energy Advisors throughout every local authority as well as community organised support programmes to engage and inform hard to reach energy users who would most benefit from energy efficiency upgrades.⁴ Convene stakeholders immediately to advise on this process.
- vi. Increase SEAI resources to collaborate with organisations who work with those at risk of fuel poverty to coordinate promotion of the Warmer Homes Scheme and support uptake with wraparound services for participating households.
- vii. Cease installation of fossil fuel boilers in homes receiving energy upgrades as part of the Warmer Homes Scheme where possible, ensuring priority retrofitting and installation of heat pumps in the first instance.
- viii. In order to prevent fossil fuel lock-in and prioritise rollout of deep retrofits, ban the installation of oil and gas boilers in all new homes this year, with no fossil fuel-based boilers installed in renovated buildings by 2025 at the latest.
- ix. Pairing energy policies with a broader set of social policies is essential to avoiding detrimental poverty and inequality impacts. This includes retraining lower-income

³ https://www.theeeig.co.uk/media/1107/eeig_learning_lessons_green_homes_grant.pdf

⁴ <https://www.svp.ie/getattachment/5ca78a6d-af8a-4f3c-a713-09dcb3da5473/SVP-PBS-2023-The-Cost-of-Surviving.aspx>

- workers, setting clear employment pathways for workers in soon-to-decline industries, and socially-progressive recycling of revenues from carbon taxes.
- x. A mutually reinforcing combination of building regulations to increase energy renovations and the uptake of clean heating in homes, combined with a socially-progressive recycling of carbon pricing revenues, is beneficial for low-income households. The European Climate Foundation estimate that if well-designed, these policy measures can cut low-income households' energy costs by a third, reduce energy waste from badly insulated homes and increase the disposable income of low-income households in the medium to long term.⁵ Thus introduction of Minimum Energy Performance Standards across all residential buildings will be important in address energy poverty.
 - xi. The Warmer Homes scheme (free energy upgrades) should be expanded to include properties in the private rented sector if the tenant is receiving the Housing Assistance Payment. However, eligibility should be contingent on the landlord providing a long-term lease to the tenant
 - xii. Commence preparation of a tailored retrofit plan for the private rented sector with clear milestones, targets and funding. Also introduce new grants for deep retrofits for landlords in the private rental sector on the condition that long-term leases are offered to tenants.
 - xiii. Participatory design of measures and thinking about reasons for low rates of retrofit uptake in the private rental sector are important: these could include disruption associated with the implementation retrofits, lack of interest in the long-term state of rented accommodation, and fear of rent increases & eviction.
 - xiv. A clear pathway for introduction of Minimum BERs should be developed, and a communications campaign launched for informing landlords of new building regulations. A clear Minimum Energy Performance Standard (of BER C or equivalent) should be set for all rental properties for 2030.
 - xv. Legal protections for tenants whose home is undergoing renovations must be developed and clarified to ensure tenants are not at-risk of eviction.
 - xvi. A One Stop Shop model that caters for the specific needs of tenants and landlords undergoing retrofitting should be developed. This can mediate communication and logistics between landlords and tenants as work is being carried out.

2. Energy Prices

To shield low-income households from the impacts of rising energy prices caused by a volatile fossil fuel market, targeted supports must be given.

Untargeted, blanket subsidies supporting fossil fuel use may seem like the easiest way to offer rapid relief to households and businesses. Yet they are likely to increase inequality by benefitting higher-income groups most. These policies can also increase the vulnerability of households to fossil fuel price volatility instead of encouraging a shift toward cleaner, more resilient energy sources.

It should also be noted that although policies that support fossil fuel consumption and production may provide some short-term social benefits (eg. by reducing energy prices), these effects risk being outweighed over time because of the indirect social costs of environmental pollution and climate change.

⁵ <https://europeanclimate.org/resources/a-socially-just-eu-renovation-wave/>

Friends of the Earth Recommends:

- i. Introduce an [Energy Guarantee Scheme](#) for people in poorly insulated homes & those on low incomes. This payment should be indexed to the current cost of energy required to keep a person's home warm based on a set quantity of units (kWh).⁶ The transition to an Energy Guarantee Scheme could be progressed by modifying the Fuel Allowance as outlined below.
- ii. Widen eligibility for the Fuel Allowance by including those receiving Working Family Payment removing the waiting period for those on Jobseekers, expanding eligibility to cover the specific living arrangements of Traveller families, and making it available to people on modest incomes in poorly insulated homes. A partial-rate Fuel Allowance payment should be available so it is not all-or-nothing for people just outside the eligibility criteria.
- iii. Double the Fuel Allowance from the current €33 to €66 weekly.
- iv. Extend the existing moratorium on disconnections during winter months to a full ban on disconnections until at least Spring 2023.
- v. Ensure any responses to the current energy crisis include Traveller families in mobile homes. Traveller families did not receive the €200 electricity credit in April 2022. This credit should be applied immediately to Traveller families living on halting sites, sharing accommodation in group housing schemes, and/or living adjacent to the main home. Any new credits must support needs of the Traveller community.
- vi. The CRU should review and update their pricing formulas, including requiring suppliers to reduce standing charges.

3. Energy Poverty Policy Development, Monitoring, and Accountability Mechanisms

Friends of the Earth, along with 20 community organisations, has endorsed [recommendations for a new energy poverty strategy](#) put forward by Community Law and Mediation (CLM) in June of this year.⁷ This comprehensive set of recommendations relate to the areas of governance, research, measurement, and evidence and are set out below. The framework for a holistic energy poverty strategy should be set out in the Roadmap for Social Inclusion.

We recommend:

- i. **Whole of Government Approach:** Place the new Energy Poverty Action Plan on statutory footing to ensure policy coherence and a whole-of-government approach. The Strategy will require cooperation in particular between the Department of Environment Communications and Climate, the Department of Social Protection, the Department of Health, and the Department of Housing.
- ii. **Improve Data Collection:**
 - a. The definition of energy poverty needs to be broadened. Energy poverty is currently measured through the “expenditure method.” If a household spends 10% or more of their disposable income on energy, it is considered to be in

⁶ https://www.ageaction.ie/sites/default/files/age_action_energy_guarantee_for_older_persons.pdf

⁷ <https://communitylawandmediation.ie/change/community-organisations-issue-joint-call-and-recommendations-for-a-new-energy-poverty-strategy/>

energy poverty. It is CLM's contention that a definition based on cost must also consider the additional financial burden often shouldered by older persons, those who live with long-term health conditions, and disabled people. Furthermore, the expenditure method only provides a snapshot at a certain point in time. Whether a household experiences energy poverty can fluctuate depending on the time of year, change in income, and energy prices.

- b. Households who use less energy than they would need or like to use to afford their bills are also a hidden cohort of those living in energy poverty. It is essential therefore that the expenditure method is combined with the "subjective method" when measuring energy poverty. The subjective method relies on self-reported data on ability to keep your home warm, utility arrears, ability to transition to sustainable energy sources, etc. This will require gathering first-hand views of those living in energy poverty, as they will best understand what is needed to eradicate the problem.
 - c. There is furthermore a need to identify which type of energy is being consumed, so that a commensurate analysis of health harms resulting from energy poverty can be identified.
- iii. **Monitoring and Evaluation:** Effective monitoring and accountability are essential to track progress and make course corrections, and for citizens and communities to hold the government accountable to its obligations on energy poverty. The Strategy must include specific targets for groups at highest risk of energy poverty, including groups at high risk but currently under-represented in official statistics such as members of the Traveller community.' Clear monitoring and accountability mechanisms that are measurable, actionable, and time-bound are essential to policy coherence and protecting citizens' rights under the Aarhus Convention.
- iv. **Public Participation:** Those with lived experience of energy poverty in particular must be included at all stages in the design and delivery of a new Energy Poverty Strategy. CLM is deeply concerned that the Department have not ensured that the Strategy is afforded appropriate and inclusive public consultation. This consultation opened in August – during peak annual leave and school holidays – and was open for a period of only four weeks. In the design of the Strategy, Community Law and Mediation recommend convening a focus group including key stakeholders across civil society and must ensure to reach those with lived experience of energy poverty.
- v. **A Rights-Based Approach:**
- a. Consultation and collaboration with relevant anti-poverty, housing, health, community, social justice and human rights bodies will ensure the Strategy is fully poverty and equality proofed.
 - b. In seeking to address energy poverty, the Government should be cognisant of its duties under Section 42 of the Irish Human Rights and Equality Act 2014. This provision obliges all public bodies to promote equality, prevent discrimination and protect the human rights of their customers and service users and everyone affected by their plans and policies. The duty relates to protection of human rights, many of which are engaged in relation to energy poverty, including the

right to livelihood, right to health, right to family life and right to non-discrimination.

- vi. **Consistency with Climate Justice:** We recommend that the new Energy Poverty Strategy prioritises win-win climate action policies that help address inequality and ensure that the cost of climate mitigation and adaptation measures does not fall unfairly on marginalised and vulnerable groups. Measures must aim to eradicate both energy poverty and energy pollution at the same time, such as increasing retrofitting and energy efficiency measures directed at households experiencing energy poverty.

- vii. **Commit to delivering an Energy Poverty Act in 2023:** To ensure accountability and long-term political commitment towards the eradication of energy poverty, the Strategy should commit to delivering an Energy Poverty Act in 2023. Scotland's Fuel Poverty (Targets, Definition and Strategy) (Scotland) Act 2019 includes the following provisions, by way of example:
 - a. A new definition and measurement framework for fuel poverty;
 - b. A legally-binding target to reduce fuel poverty to no more than 5% of households, and that no more than 1% of households should be in extreme fuel poverty, by 2040; (It is CLM's view that a 21-year target is too long, and that Ireland should aim to eradicate energy poverty much sooner than 2040.)
 - c. A duty on Ministers to produce a long-term strategy outlining how delivery of the 2040 target will be achieved;
 - d. A duty on Ministers to produce a monitoring report every 5 years;
 - e. The establishment of an independent fuel poverty advisory panel.