Policy Link
an update on the rural issues which matter to you
Rural Community Network

November 2023

RCN response to DAERA consultation on Carbon Budgets and Emissions Targets

RCN responded to the recent DAERA consultation on Carbon Budgets, Emissions Targets and Advice from the Climate Change Committee on reaching Net Zero. Although the Executive is suspended, DAERA must continue to work on setting emissions targets and carbon budgets to meet obligations set out in the Climate Change Act passed in 2022. The consultation documents provided very little detail on the changes and choices required to reach interim emissions targets in 2030 and 2040. Similarly, there was little detail in the consultation on the setting of carbon budgets. Our response suggested that the consultation needed to offer examples to illustrate what carbon emissions reductions will mean at household, community, and Northern Ireland level.

There was more detail on the changes that will be required if Northern Ireland is to meet its Net Zero target in the section of the *Climate Change Committee Advice Report: The path to a Net Zero Northern Ireland.* The Climate Change Committee (CCC) is an independent, statutory body established under the Climate Change Act 2008. Its purpose is to advise the UK and devolved governments on emissions targets and to report to Parliament on progress made in reducing greenhouse gas emissions and preparing for and adapting to the impacts of climate change. The advice report contains detailed proposals on changes required across NI society if we are to reach Net Zero by 2050. These include a reduction in livestock, an increase in forestry, switching from fossil fuels to electricity for transport and heating of buildings and an increase in renewable energy production to name a few.

RCN's response to the consultation can be read here.

Consultation on Revenue Raising measures

The Secretary of State, Chris Heaton-Harris, has written to Northern Ireland government departments asking them to launch consultations on revenue raising measures. It has been suggested these will include proposals to re-introduce prescription charges, introduce water charges and raise university tuition fees. The Secretary of State was criticised by political parties here when his call for revenue raising measures was first mooted in the summer. Several parties accused him of using these proposals to pressurise the DUP to return to the Assembly. He has denied these accusations and has said that further revenue raising proposals must be introduced at some point to put Northern Ireland's public finances on a more sustainable footing. Several secretaries of state have framed the debate on Northern Ireland's public finances in terms of the region having to "pay its way" due to the level of public funding being significantly higher than the amount raised in revenue here. This narrative, which pops up periodically in the media, tends to downplay that many of the 12 regions of the UK — apart from London and the South East of England – are in a similar fiscal deficit position most years.

Mr Heaton-Harris set a budget for NI Departments earlier this year which saw significant cuts in funding with knock on effects for public services (covered in detail in our previous *Policy Link* in August). Under current legislation he cannot introduce revenue raising measures but has said that these are up to any incoming NI Executive to decide upon.

Rural Development Funding Announced in the Republic of Ireland

Last month Ministers in the Republic of Ireland announced funding for rural and community development agreed as part of the budget for 2024. The Minister for Rural and Community Development, Heather Humphreys TD, and Minister of State, Joe O'Brien TD, announced a package worth €431 million for 2024. This included over €205 million in funding for the Department's Rural Development programme which includes schemes such as Town and Village Renewal, LEADER and the Rural Regeneration Development Fund. This also provides funding for the continued provision of "lifeline transport services" to offshore islands and for capital investment on islands. The Government stated that this represents a doubling of investment in rural development since 2018 as part of the roll out of the Our Rural Future plan.

More details on the announcement of rural development funding are available here.

Fuel Poverty Strategy Recommendations

National Energy Action NI, the charity that campaigns on Fuel Poverty, recently published a report from their Fuel Poverty Coalition group making recommendations for a new Northern Ireland Fuel Poverty strategy. It's estimated that up to 45% of homes in Northern Ireland may be in Fuel Poverty (defined as a household that spends more than 10% of its income on energy). The report sets out a series of principles that should underpin a new Fuel Poverty strategy including:

- Help the worst first so those households most in need should be targeted;
- Prevent postcode lotteries so households are supported equally across Northern Ireland;
- Embrace a just transition to align with the decarbonisation agenda and our Net Zero targets.

The report recommends that a new Fuel Poverty strategy should take a dual approach to defining Fuel Poverty. We should retain the current 10% definition but also measure those in Severe Fuel Poverty (spending 20% or more of their income on energy) and those in Extreme Fuel Poverty (spending 30% or more of their income on energy). We also need to record the number of low-income households living in a home with an energy efficiency rating below Band C.

The FPC recommends the following targets should be adopted:

• By 2035 no households in Northern Ireland will be living in Fuel Poverty and no low income or vulnerable households will be living in a home with an energy performance rating lower than Band C;

• By 2030 no more than 10% of households in Northern Ireland will be living in Fuel Poverty and no households will be living in Severe Fuel Poverty. No low income or vulnerable households will be living in a home with an energy performance rating lower than Band D;

• By 2027 no more than 20% of households in Northern Ireland will be living in Fuel Poverty and no households will be living in Extreme Fuel Poverty. No low income or vulnerable households will be living in a home with an energy performance rating lower than Band E.

The report then sets out a series of actions and outcomes the Fuel Poverty Coalition wish to see including:

- Establishing a Fuel Poverty Taskforce with immediate effect;
- Committing to annual monitoring and reporting on Fuel Poverty rates;

- Introducing a statutory Fuel Poverty target and implement energy efficiency standards to ensure progress can be monitored;
- Working to introduce the Warm Home Discount (WHD) Scheme in Northern Ireland;
- Extending the Winter Fuel Payment Scheme;
- Designing and delivering a new effective retrofit scheme;
- Providing extra support and assistance to transition those reliant on home heating oil.

RCN, as members of the Fuel Poverty Coalition, welcome the report as we know Fuel Poverty is a serious issue in rural communities where homes are more reliant on oil-fired central heating, the housing stock is older and can be less energy efficient and household incomes in many rural areas are lower than the Northern Ireland average.

To read the full report click here

Call for More Help to De-carbonise Home Heating

A recent report from the National Infrastructure Commission has called for a scheme to de-carbonise home heating systems to be ramped up. The National Infrastructure Commission (NIC) provides government with impartial, expert advice on major long term infrastructure challenges. The report said that subsidies for heat pumps need to be vastly expanded if the UK is to have any chance of meeting its Net Zero targets. Their report estimated that more than eight million buildings need to switch from gas boilers to zero or low carbon alternatives by 2035 to meet the Net Zero target. The Commission report states that heat pumps and heat networks are the solution and are being deployed rapidly in other countries. A heat pump is powered electrically and recovers heat from the air outside a building and uses it to heat radiators or under-floor heating.

Homeowners in England and Wales can apply of a grant of £7500 through the Boiler Upgrade Scheme but the budget is limited to £150 million per year. The NIC report recommends that this budget needs to be massively expanded to £6 billion per year so the poorest households can have the full cost of switching covered.

Whilst the NIC acknowledges that energy is a devolved competency of the Northern Ireland Executive, the UK Climate Change Committee (CCC) Advice on The Path to a Net Zero Northern Ireland has also recommended large-scale conversion from fossil fuel powered heating to heat pumps to tackle carbon emissions. The CCC advises that:

- Building emissions need to fall 33% from 2020 to 2030;

- Emission reduction is to be achieved by ensuring all newly constructed homes are zero-carbon as soon as practicable, with no requirement for later retrofit;
- By 2030 for homes off-gas grid and 2033 for homes on-gas grid, all new heating appliance installations should be zero-carbon;
- The rate of annual heat pump installations (including hybrids) should number 33,000 homes by 2030.

With no NI equivalent to the Boiler Upgrade Scheme and in the continued absence of functioning government, any targets set by an incoming Executive to de-carbonise home heating will become increasingly difficult to achieve as each month passes.

Mental Health in Northern Ireland Fundamental Facts 2023 Report Published

The Mental Health Foundation and the NI Mental Health Champion, Professor Siobhan O'Neill published a report Mental Health in Northern Ireland; Fundamental Facts 2023 on World Mental Health Day in October. The report highlighted the importance of tackling social inequalities to reduce the rates of poor mental health here. It collated the most current data on the risk factors for mental ill-health including: early adversity, trauma, poverty and level of education. It also identifies groups at higher risk of mental health problems, including carers; people with disabilities and health conditions; and LGBTQIA+ people.

The wide-ranging report shows that people in the most deprived areas (30% of residents) are more likely to have a probable mental illness compared to those in least deprived areas (20% of residents). Poverty, particularly child poverty is a key contributor, with one in four children in Northern Ireland living in poverty. Stable housing is also a key driver of wellbeing with almost 70% of people experiencing homelessness having a diagnosed mental health condition. It highlights the associations between poor mental health outcomes and Adverse Childhood Experiences (ACEs). 47.5% of young people aged 11-19 years experienced at least one ACE; with young people in the least deprived areas more likely to have experienced no ACEs compared to those in the most deprived (59.9% *vs* 36.0%).

Professor Siobhan O'Neill, Mental Health Champion, said that the report provided an important overview and identified policy issues which, if addressed, would reduce the burden of suffering, as well as the economic costs of poor mental health. She went on to call for the full implementation of the Mental Health Strategy so that those with mental health problems receive treatment at an earlier stage. She expressed her concern that the Strategy, now in its third year of implementation, faced a funding shortfall with no evidence of an increase in the training places required to deliver the workforce needed. She also said that we need to tackle social inequalities, reduce poverty and invest in early year's and children's services if we want our communities to thrive.

JRF Publish Research on Destitution in the UK

Joseph Rowntree Foundation (JRF) published research on destitution across the UK in October. The research showed that 3.8 million people in the UK were experiencing destitution, with almost 1 million of these being children. This level of destitution is 2.5 times higher than it was in 2017 with almost triple the number of children now living in destitution compared to 2017. Three quarters of people in destitution are in receipt of Social Security benefits which demonstrates the impact of the erosion of the Social Security system.

The research measures destitution in two ways, which were developed in consultation with members of the public:

1. Lack of access to at least two of six items needed to meet the most basic physical needs to stay warm, dry, clean and fed (shelter, food, heating, lighting, clothing and footwear, and basic toiletries) because people cannot afford them;

2. Extremely low or no income, indicating that people cannot afford the items described above.

In response to these findings, JRF renewed its call that Universal Credit should have an "Essentials Guarantee" to offer a minimum level of basic support for food and household bills. They also called for reform to benefit sanctions and deductions to ensure people retained some level of basic income and ensure people can access their disability benefit entitlements. They are also asking that cash first emergency financial assistance is available in all areas and that everyone should be able to access help in an emergency situation, including people deemed to have "no recourse to public funds".

The report notes that data from a wide range of available statistical datasets formed a group of secondary indicators used in the research but that many of these datasets were unavailable in Northern Ireland. This meant that parts of the report excluded Northern Ireland because of inadequate data availability.

The research report and a summary of the main findings are available here.

Universal Credit Move for all Legacy Benefits

Tens of thousands of households have recently begun a transfer to Universal Credit (UC). UC is a single benefit payment for working-age people that is replacing a range of different benefits. The Department for Communities has begun to write to 71,000 affected households. Households will then have three months to make their claim for UC or they will lose out.

Universal Credit has been in place in Northern Ireland for new claimants since September 2017. It replaces six benefits that are now coming to an end:

- Child Tax Credits;
- Working Tax Credits;
- Income Support;
- Income-based Jobseeker's Allowance;
- Income-related Employment and Support Allowance (ESA);
- Housing benefit (rental).

The roll out has started with those households in receipt of tax credits only. The migration of claimants on ESA (except for those receiving Child Tax Credit) has been pushed back to 2028.That will impact those in receipt of income-related ESA only and those in receipt of income-related ESA and Housing Benefit.

Households will be able to make their claims after receiving letters known as migration notices from the Department for Communities. Those entitled to UC will receive their first payment approximately five weeks after submitting a claim, then further payments twice a month. Northern Ireland is the only part of the UK with a fund to help people during this window, known as the "five-week wait". Anyone who is entitled to UC might be able to claim financial support for essential living costs from the UC Contingency Fund via a grant payment or advance loan. In addition, anyone who would be worse off under the new system will be entitled to a top-up known as "transitional protection" but they will need to apply in time and will only be entitled as long as their circumstances do not change in the meantime. Transitional protection will not be a permanent feature of UC and a change in circumstances (e.g. a partner moving out of the household) will lead to it being removed.

The Department has advised that claimants who receive a migration notice must take action and make a claim to Universal Credit, otherwise their benefits will stop. If you need support with making a claim to Universal Credit contact Advice NI through their website https://www.adviceni.net/move-uc/making-claim or call them on 0800 915 4604.

Discretionary Housing Payments Cut

The Housing Executive announced it is cutting Discretionary Housing Payments (DHPs) for many private rented sector tenants. DHPs are grants that help tenants in the private rented sector meet the shortfall between their benefit entitlement and the rent. 10,252 households are currently in receipt of DHPs. Tenants who have been in receipt of DHPs for two or more years will have their payments stopped. Research published by the Housing Executive and Ulster University in May showed that rent levels in the private rented sector were rising sharply, with rent increasing by nearly 8% on average in local government districts outside Belfast. Local Housing Allowance rates, on which housing benefit payments are based, have been frozen at 2020/21 levels until at least 2024. This has led to housing benefit payments falling further behind actual rents leading to even greater need for DHPs to cover the shortfall.

The Law Centre NI warned that the cut "will increase the risk of homelessness for many". At a time of rising rents and a continuing cost of living crisis where all household bills have soared, the ending of DHPs will pile even more pressure on vulnerable households. RCN is concerned that this cut will hit hard on vulnerable tenants in rural communities where the only option is private renting as there is so little social housing available.

Tenants who are still eligible will have their support capped at a maximum of £20 per week.

Cost of Living Payments 2023/2024 Update

The payment schedule for further cost of living support has been announced. Payments will be made to those who get eligible low income (means tested) and disability benefits. An additional Winter Fuel Payment will also be made. The second £300 low income (means-tested) Cost of Living Payment is due between 31 October and 19 November 2023 for most people on Department for Communities / Department for Work and Pensions (DWP) benefits. The £300 payment for people on tax credits and no other low-income benefits will be paid between 10 November and 19 November 2023 for most people and a £300 additional Winter Fuel Payment is due during Winter 2023/24.

The third £299 low income (means tested) Cost of Living Payment is due in Spring 2024

If you are eligible (or if you are found to be eligible at a later date) you will be paid automatically in the same way you receive normal benefit payments. If you get any of the following benefits or tax credits on certain dates:

- income-based Jobseeker's Allowance;
- income-related Employment and Support Allowance;

- Income Support;
- Pension Credit;
- Universal Credit;
- Child Tax Credit;
- Working Tax Credit.

The payment will be made separately from your benefit.

You will not get a payment if you are only getting new style Employment and Support Allowance, contributory Employment and Support Allowance, or New Style Jobseeker's Allowance.

Pensioner Cost of Living Payment

If you are entitled to a Winter Fuel Payment for winter 2023 to 2024, you will get an extra £150 or £300 paid with your normal payment from November 2023.The full amount of Winter Fuel Payment (including the Pensioner Cost of Living Payment) you will get for winter 2023 to 2024 depends on when you were born and your circumstances during the qualifying dates.

Trussell Trust Research Reveals the Drivers of Hunger and Food Bank Usage Among Disabled People

New research published by the Trussell Trust provides more in-depth information on the causes of hunger for disabled people and why they are significantly over-represented in referrals to food banks. Disabled people face significant additional costs and lower incomes that put them at greater risk of going without the essentials. The research reveals that this is the result of barriers disabled people face in accessing work, and the low paid and part-time nature of that work, combined with the very low levels of income provided by the Social Security system. The research shows that 62% of people in disabled households referred to Trussell Trust food banks are not receiving any benefits specifically related to their disability. Unsurprisingly, the report states that hunger and food bank usage among disabled people is, at least in part, driven by structural issues with the disability benefits system. Low awareness of benefit entitlements and eligibility, long waits, incorrect decisions, and an arduous and often stressful application and assessment process are damaging to people's mental and physical health and deepen exclusion.

This research provides further evidence of the struggle of disabled people and support organisations to access disability benefits.

The report makes a series of recommendations to address hardship amongst disabled people causing hunger and leading to foodbank referrals and sets out five building blocks to ensure dignified, accessible support for disabled people and people with health conditions:

- Everyone gets a decision on their disability benefit application which is right first time and as swift as possible;
- Everyone who wants it can access meaningful and person-centred employment support, avoiding the use of punitive financial sanctions wherever possible and instead using other services to increase engagement;
- Tackling financial hardship is always addressed as part of improving the health of individuals and society;
- Everyone is aware of the benefits they are entitled to, and is supported to apply through the widespread availability of quality accessible independent advice and support;
- Much wider adoption of flexible employment practices and a significant increase in good quality jobs accessible to disabled people.

The Full report is available here

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UK Shared Prosperity Funding Under-spent in Britain

A recent media report has revealed that the UK Shared Prosperity Fund (UKSPF), one of the key funding programmes to support the Levelling Up agenda, has been under-spent by almost all councils in Britain. As regular readers of *Policy Link* will know, we have been tracking the roll out of UKSPF as a key UK government initiative introduced to replace EU funding post-Brexit. The Observer report asserts that under-spends have been caused by cash being handed over too late; a hollowing out of local government expertise; and lengthy and bureaucratic funding processes. The article makes no mention of how UKSPF spend is progressing in Northern Ireland. UKSPF is implemented differently here with investment priorities set out in a UKSPF Northern Ireland Investment Plan.

Funding was allocated in the Spring to a range of groups delivering employability programmes whose previous European Social Fund programmes ended on 31st March 2023. However, two Stormont officials had written to the Westminster Levelling Up Committee to complain that the way the fund was operating in Northern Ireland was “highly sub-optimal”.

Information on Levelling Up funding allocated in Northern Ireland to date can be found here.

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