

Northern Ireland Pensioners Parliament Heating Costs Survey

May 2014



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Background

The Northern Ireland Pensioners Parliament was established in 2011.

Organised by Age Sector Platform, the parliament provides a truly democratic and bottom-up approach to tackling the issues of concern for older people. Each year, as part of the project, over 1,100 pensioners from across Northern Ireland are surveyed to identify the main problems for older people here.

Since the inception of the Northern Ireland Pensioners Parliament, almost 5,000 individuals have completed a questionnaire and highlighted their top concerns.

Each and every year, 'Keeping warm in winter / energy prices' has come out as the top concern for pensioners, with between 75% and 81% selecting it as a concern for them.

No other issue or concern has ever come close to overtaking 'Keeping warm in winter / energy prices' to become the biggest concern. The following table demonstrates the percentage of people that chose 'Keeping warm in winter / energy prices' as one of their top five concerns during the last four years of the parliament:

Year	% of older people that selected 'Keeping warm in winter' as a top concern
2011	76%
2012	81%
2013	79%
2014 ^p	75%

^p Provisional figure

Following the strong evidence arising from the Northern Ireland Pensioners Parliament survey over the last few years, Age Sector Platform's 'Making Ends Meet' Campaign Committee agreed to conduct a more detailed survey of pensioners' heating costs which was distributed at all seven 'local parliaments' held between February and April 2014.

The 2014 'local parliaments' were held in Belfast, Enniskillen, Newry, Craigavon, Larne, Magherafelt and Omagh. Over 300 surveys were completed, with responses representing a relatively small but representative sample of pensioner households across Northern Ireland.

This report details the findings of that survey.

Key findings

- On average, pensioner households spend £1,602 per year on heating costs.
- Over half of all respondents (51%) said that the cost of heating their home meant they had to cut down on other essentials (e.g. food).
- Pensioner households that rely on oil for heating their homes are paying £405 per year more, on average, than those relying on gas.
- Pensioner households in rural areas are paying £209 per year more, on average, than pensioner households in urban areas.
- Older pensioner households are paying more to heat their homes than younger pensioner households, with all 75+ households paying the most on average.
- Heating costs per person are higher for a single pensioner household than a 2+ pensioner household, with a single pensioner paying, on average, £506 more per year than a pensioner living in a 2+ household.
- Pensioner households with some form of home insulation, on average, save £224 per year compared to pensioner households without insulation.
- Households most likely to cut back on other essentials in order to pay for the cost of heating their home are single pensioner households, those with oil central heating and those living in County Derry/Londonderry and County Tyrone.

Who completed the Heating Costs Survey?

The survey collected 301 responses from across Northern Ireland:

- 20% from County Antrim
- 17% from County Armagh
- 13% from County Derry/Londonderry
- 17% from County Down
- 19% from County Fermanagh
- 11% from County Tyrone
- 3% from an unknown location

62% live in an urban area, 38% in a rural area

84% are homeowners

Of the 16% non-homeowners:

- 47% are NI Housing Executive tenants, 30% rent privately, and 23% are Housing Association tenants

47% live alone, 53% live in a 2+ household

How do they heat their homes?

79% use oil to heat their homes, 26% use gas, 24% use coal
11% use something else (e.g. wood, turf) to heat their homes

Are their homes insulated?

88% of respondents have home insulation measures

- 71% have cavity wall insulation
- 80% have loft insulation

90% have double glazing

47% have benefited from a scheme to improve the energy efficiency of their home

Average expenditure on heating

According to the Heating Costs Survey, pensioner households in Northern Ireland spend, on average, £1,602 per year on heating their homes. The following table details average annual expenditure on heating by household characteristic.

Characteristic	Average Annual Spend on Heating
Single pensioner household	£1,395
2+ pensioner household	£1,778
Rural pensioner household	£1,709
Urban pensioner household	£1,500
Oil central heating	£1,699
Gas central heating	£1,294
Home-owner	£1,637
Non home-owner	£1,425
Insulated home	£1,617
Non-insulated home	£1,841
Household that has benefited from an energy efficiency scheme	£1,692
Household that has not benefited from an energy efficiency scheme	£1,501
Household that has cut down on other essentials	£1,724
Household that has not cut down on other essentials	£1,491
Single pensioner household (75+)	£1,531
Single pensioner household (60-74)	£1,308
Pensioner couple household (75+)	£1,795
Pensioner couple household (60-74)	£1,798
Pensioner couple (60-74 and 75+)	£1,634

Cutting down on other essentials

Over half (51%) of respondents said the cost of heating their homes meant they had to cut down on other essentials (e.g. food).

Those most likely to cut back on other essentials to pay for the cost of heating their homes are single pensioner households, those with oil central heating and those living in County Derry/Londonderry and County Tyrone.

I have to save money for oil and coal, it comes first.

I have to cut back on food and clothes as electricity and heating oil is so expensive.

I rely on charity shops and pound shops.

I don't have enough money for food.

I'm buying fewer and cheaper cuts of meat and more potatoes, carrots and soup.

I buy cheaper brands and only essentials.

A lot of my pension is going on heating like electric and oil. Not much left for food.

I have to be careful when shopping. I go to different shops for bargains.

I'm not able to use the car to visit family.

I need insulation but can't afford it.

Energy efficiency schemes

Almost half (47%) of respondents have benefited from a scheme to improve the energy efficiency of their home, such as Warm Homes Scheme / Boiler Replacement.

Of these, nine out of ten (93%) said they would recommend the scheme to a friend.

According to the survey, those most likely to avail of an energy efficiency scheme are rural pensioner households, homeowners, those with oil central heating, households with someone aged 75+ and those living in County Armagh and County Tyrone followed by County Derry/Londonderry.

Unexpectedly, expenditure comparisons between households that availed of a scheme and those that had not, did not suggest lower expenditure on heating for those benefiting from an energy efficiency scheme. In fact, households that benefited from a scheme are paying, on average, £191 per year more than those that have not benefited from an energy efficiency scheme.

Characteristic	Average Annual Spend on Heating
Household that has benefited from an energy efficiency scheme	£1,692
Household that has not benefited from an energy efficiency scheme	£1,501

This could perhaps be explained by the fact that households in most need, and paying the most on heating, are likely to look for and be entitled to assistance from government. These schemes may reduce heating costs to an extent, but have not succeeded in bringing them down to below the level at which people do not seek help at all.

It is important that a more thorough evaluation of these energy efficiency schemes is conducted in order to demonstrate their value in addressing fuel poverty for pensioners in Northern Ireland.

Recommendations

The Northern Ireland Pensioners Parliament survey between 2011 and 2014 has highlighted the high levels of concern amongst older people about keeping warm in winter / energy prices.

Based on Age Sector Platform's engagement with thousands of older people over the last four years through the Pensioners Parliament, the following recommendations for government are being made:

Develop and implement an action plan to eradicate fuel poverty.

Provide the most vulnerable pensioners in Northern Ireland with a discount off their electricity bill every year (similar to schemes in Great Britain and Republic of Ireland).

Automatically pay pension credit in Northern Ireland for a period of six months, as a means of increasing pensioner incomes, and improving uptake following the temporary period.

Reduce Northern Ireland's dependence on oil and exposure to high oil prices by:

- subsidising the roll out of the domestic gas network in the ten district towns and other urban communities adjacent to the gas network;
- creating a framework for a regulated market in renewable heating sources in non gas areas;
- regulating the heating oil industry.

Commission a programme of research into the cost effectiveness of publicly funded fuel poverty/energy efficiency schemes in place during the last ten years in order to establish which measures are most effective.

Require new build dwellings for pensioners to be built to a standard requiring little or no expenditure on heating.

In the private rented sector only allow housing benefit to be paid in cases where the landlord has brought the property up to an acceptable standard of energy efficiency.

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