



Disability Federation of Ireland

Submission to the Commission for Energy Regulation

Water Charges Plan Consultation

CER/14/366

28 August 2014

Disability Federation of Ireland

The Disability Federation of Ireland (DFI) is the national support organisation for voluntary disability organisations (129 members) in Ireland who provide services to people with disabilities and disabling conditions. DFI works to ensure that Irish society is fully inclusive of people with disabilities and disabling conditions so that they can exercise fully their civil, social and human rights. In pursuit of this vision, DFI acts as an advocate for the voluntary disability sector and supports organisations to further enable people with disabilities.

Introduction

DFI welcomes the opportunity to make comment on the Commission for Energy Regulation Water Charges Plan. People with disabilities, chronic conditions and long term illness must be protected on a number of different levels with the introduction of water charges from the 1 October 2014.

Firstly it must be acknowledged that disabled people are a diverse group of people within Irish society, with diverse needs. We acknowledge the intention to protect vulnerable customers as set out in the customer handbook. We also welcome the initiative to provide some consumer protection via provision for people with particular medical conditions via the Department of Health and the Department of Social Protection's intention to provide an allowance of €100 to those on Household Benefits Package. We also welcome CERs commitment under the National Disability Strategy to establish a dedicated consumer management service which will include special services required by customers with disabilities.

We are not convinced however, that these measures will protect all customers with disabilities as the detail has yet to be finalised. We are assuming that not every person with extra water requirements will be covered by the provisions set out above, and that these provisions will not provide full protection in and of themselves.

We have particular concerns regarding water poverty, which can only be addressed by having a sufficient transition period backed by research, and supported by an informed Consumer Panel. Research must include a Social Impact Assessment. All the comments in this submission are predicated on these recommendations being put in place.

Water Poverty

DFI welcomes that provision will be made for certain medical conditions. DFI is very concerned however, not everyone will be included and that many people with disabilities will be further disenfranchised when water charges are introduced. The Department of Environment, Community and Local Government Inter-Departmental Working Group estimated that having a disabled person in the house **using a broad definition of disability** increased the likelihood of water poverty compared to the average household¹. In 2011, 45% of people with disabilities experienced income poverty and 36% of people with a disability experienced basic deprivation. As 12% of jobless households are headed by a person with a disability², water charges will impact on the entire household and DFI recommends further research is carried out by the ESRI that attends to the

¹ Department of Environment, Community and Local Government (2013) Water Sector reform Programme; report of the Inter-Departmental Working Group on Affordability Issues.

² NES (2014) Jobless households: An Exploration of the Issues

potential water poverty of a group that require water, not only for basic sanitation but for public health reasons. The CER estimation that a single parent family with two children will end up paying almost the equivalent of a week's basic Social Welfare payment (€188) on water is a stark enough figure, regardless of water required as a result of disability, disabling conditions. Further difficulties are created for professional Personal Assistants, care staff and family members who have sanitation requirements resulting from care needs that will not be met in the provision for medical conditions.

Consultation Process:

Irish water proposes to put in place an output monitoring group to consider investment priorities. In stark contrast, there no provision is made for a group representing consumers. DFI regards a consumer panel to be vital to represent the interests of customers and in particular, vulnerable customers. It is particularly important to have informed consumer representation that has is furnished with the capacity to achieve change in the system where required. It is particularly important that good communication and negotiation processes are set up between consumer representatives, Irish water and CER as the Regulator, given the complexity of the operational issues involved. The fact that there are so many unknowns, not just with regard to legacy and local authority issues but also with regard to potential usage and revenue, make it all the more important that a consumer panel is put in place.

Transition Period

It is important that the fixed price period is recognised as a transition period that allows for a complete review of pricing structures. DFI recommends that the period from 2014 to 2016 is officially recognised as a period of transition in which to do some research on pricing structures, water poverty issues and assess the effectiveness of measures to protect of vulnerable customers, including those with disabilities and medical conditions via a Social Impact Assessment.

Assessed Billing period:

We also recommend that the assessed billing period is extended for the full term of the transition period. DFI considers the assessed billing period of 6 months to be too short to give an accurate indication of water usage or in which to set prices fairly. It does not allow for a full year cycle in which the difference between seasonal use can be levelled.

Public Education

All communications with consumers must be produced in accessible formats, including plain English, using assessable guidelines for those with visual impairments. We would also encourage the use of Irish Sign Language in any visual media advertisements or internet based information on how to reduce costs and conserve water, including water saving tips and so forth.

Water Pricing

The pricing process must be transparent. This necessitates an adequate transition period alongside Social Impact Assessments to assess the impact of pricing on vulnerable households. There needs to be done in conjunction with the Department of Social Protection Social Inclusion division.

Water Allowances

DFI is also concerned that the initial high per unit costs will introduce a culture of high unit cost pricing, whilst consumers have no protection against the introduction of set charges after 2016, in addition to high unit costs.

Q16, 17 and Q18: Single Occupancy Consumption levels, Child Consumption Levels and Water Allowances

DFI recommends that the proposed allowances are reviewed at the end of the Transition period proposed above and that a communication process is put in place to flag difficulties emerging from the public and consumer representative organisations, as described above.

The evidence regarding differential water usage for children and adults is inconclusive. DFI recommends that further ESRI research on the differences between child and adult consumption be extended to evaluate usage related to disability and medical conditions.

Further engagement with the Department of Social Protection is required to ascertain the rules with which child allowances will be awarded.

Q20: Flexibility for payments

DFI agrees that there should be flexibility to allow domestic customers to pay monthly.

Q23: Tariffs

DFI is very concerned about the proposals to apply a default tariff to customers who do not validate before the end of the campaign. We understand that the intention is to address deliberate defaulters. We do not agree that where a customer is late to validate, allowances should only be applied from the date the customer validates. This proposal does not address the needs of more vulnerable customers those with literacy issues and learning disabilities who have extra communication needs. We recommend that all communications are accessible, in plain English and that greater flexibility is put in place to prevent customers who may already struggle to keep on top of payments, to avail of their full allowance.

Therefore we recommend the tariff period is extended and that a simple process is put in place to allow flexibility for those who may have not understood or had the capacity to respond appropriately from the outset. We recommend that a letter of support from a representative organisation to whom the customer is well known to be sufficient support evidence for such an application to waive the tariff, or evidence of being in receipt of a particular allowance such as Disability Allowance or Invalidity pension.

Conclusion

Access to water is a human right. It is clear that more needs to be done to ensure that people with disabilities rights are protected in the water charges plan. This can only be assured with more information. Therefore information gathered in a well defined transition period must be gathered with due consideration to household composition including disability or medical condition. This information must be available to a consumer representative panel with the authority to influence water charges post 2016. People with disabilities, disabling conditions and their families, have already suffered deeply in economic terms over the last number of years. They incur extra costs in other areas due to having a disability, and this is an opportunity to get the balance right and create an effective model that protects them from extra charges. They must not be further marginalised and socially excluded into the future as Irish Water becomes an independent entity. Consumer protection for people with disabilities must be top priority for the Commission for Energy Regulation.

For further information on this submission, please contact Joan O'Donnell

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The **Disability Federation of Ireland (DFI)** represents the interests and the expectations of people with disabilities to be fully included in Irish society. It comprises organisations that represent and support people with disabilities and disabling conditions.

The vision of DFI is that Irish society is fully inclusive of people with disabilities and disabling conditions so that they can exercise their full civil, economic, social, and human rights and are enabled to reach their full potential in life. DFI's mission is to act as an advocate for the full and equal inclusion of people with disabilities and disabling conditions in all aspects of their lives.

There are over 129 organisations within membership, or as associates, of DFI. DFI also works with a growing number of organisations and groups around the country that have a significant disability interest, mainly from the statutory and voluntary sectors. DFI provides information, training and support, networking, advocacy and representation, research and policy development / implementation, and organisation and management development.

DFI works on the basis that disability is a societal issue and so works with Government, and across the social and economic strands and interests of society.

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