

GAS (DESIGNATION OF PIPELINES) ORDER (NI) 2016

DfE EQUALITY SCREENING FORM

Part 1. Policy scoping

The first stage of the screening process involves scoping the policy under consideration. The purpose of policy scoping is to help prepare the background and context and set out the aims and objectives for the policy, being screened. At this stage, scoping the policy will help identify potential constraints as well as opportunities and will help the policy maker work through the screening process on a step by step basis.

Public authorities should remember that the Section 75 statutory duties apply to internal policies (relating to people who work for the authority), as well as external policies (relating to those who are, or could be, served by the authority).

Information about the policy

This screening form relates to a piece of subordinate legislation which the Department for the Economy proposes to make and lay by October 2016: the **"Gas (Designation of Pipelines) Order (NI) 2016"**.

The proposed Designation Order will provide for the high pressure transmission section of a new gas pipeline from Maydown to Strabane, currently being laid as part of the Gas to the West project, to be designated under the provisions of Article 59 of the Energy (NI) Order 2003 for the purposes of the common transmission tariff. This means that the cost of constructing and operating the pipeline will be added to a 'postalised' pot and recovered from all gas consumers across Northern Ireland (both business and domestic) over a 40 year period through a common transmission tariff within gas bills. This in line with established policy for the economic and efficient development of the natural gas industry in NI.

Is the policy:

- new
- existing
- revised

What is it trying to achieve? (intended aims/outcomes)

Private sector developers, under gas conveyance licences granted by the Utility Regulator in February 2015 and with part-grant assistance agreed by the NI Executive, are taking forward a major project to extend the natural gas network to further towns in the West (the 'Gas to the West' project).

The Department for the Economy supports extending the gas network in order to:

- Promote the development and maintenance of an efficient, economic and co-ordinated gas industry;
- Extend the availability of natural gas, as a more efficient and potentially cheaper fuel, providing additional fuel choice, thus enabling businesses to improve their competitiveness in an increasingly global market place;
- Extend the availability of natural gas as a lower carbon fuel, displacing more polluting fossil fuels, thus providing environmental benefits; and
- Enable domestic consumers within the towns considered to connect to natural gas, thus contributing to reducing fuel poverty.

The proposed Designation Order in respect of the high pressure element of the new pipeline from Maydown to Strabane (due for completion in October 2016) will provide for the cost of this pipeline to be recovered through the common transmission tariff. The 'postalisation' of the transmission tariff within consumers' gas bills is an established policy underlying the development of the NI gas industry and is essential to ensure its economic viability.

Are there any Section 75 categories which might be expected to benefit from the intended policy? If so, explain how.

Extending the provision of natural gas to new areas will bring greater choice of fuel for business and domestic consumers in Strabane, Dungannon, Coalisland, Cookstown, Magherafelt, Omagh, Enniskillen and Derrylin and should help to shift the current dependence on oil or coal for household heating in Northern Ireland.

Given the wider range of budgeting options available (Pay As You Go meters etc), providing natural gas in the West could contribute towards reducing the high levels (circa 44%) of fuel poverty in Northern Ireland. Fuel poverty tends to affect some Section 75 categories, such as older people, people with disabilities and lone parents, in disproportionate numbers.

Against these benefits, it is noted that postalisation of costs associated with the major new gas pipelines in the West is expected to effect a small increase in the region of 0.04-0.05% on gas bills for all NI gas consumers.

Who initiated or wrote the policy?

[The Department in liaison with the Utility Regulator](#)

Who owns and who implements the policy?

[The Department in liaison with the Utility Regulator](#)

Implementation factors

Are there any factors which could contribute to/detract from the intended aim/outcome of the policy/decision?

If yes, are they

financial

The strictly regulated costs of providing new gas networks are ultimately passed through to consumers. However, the financial impacts of

providing new high pressure gas networks in the West have been assessed as adding only 0.04% to 0.05% to final gas bills.

legislative

Articles 59 and 60 of the Energy (NI) Order 2003 provide for "designation" of gas pipelines connected to a high pressure pipeline for the purposes of a common tariff thus socialising these costs across all gas consumers.

other, please specify _____

Main stakeholders affected

Who are the internal and external stakeholders (actual or potential) that the policy will impact upon?

staff

service users

other public sector organisations

voluntary/community/trade unions

other, please specify **All NI gas consumers**

Other policies with a bearing on this policy

• what are they?

None identified.

• who owns them?

• Is the policy affected by timetables established by other relevant public authorities?

Available evidence

Evidence to help inform the screening process may take many forms. Public authorities should ensure that their screening decision is informed by relevant data.

What evidence/information (both qualitative and quantitative) have you gathered to inform this policy? Specify details for each of the Section 75 categories.

Gas Network Extension Policy

In 2011, the Department carried out a 'Consultation on the potential for extending the natural gas network in Northern Ireland'. Responses generally showed significant support from stakeholders for extending the gas network providing that costs to existing gas consumers are minimised. It was generally agreed there are significant benefits to be gained by bringing natural gas to new areas, particularly to towns in the West and North West.

In 2012, as part of the subsequent development of specific proposals to extend the natural gas network to further towns in the West and North West of Northern Ireland, the Department completed a detailed economic appraisal and prepared and consulted upon a draft Equality Impact Assessment (EQIA) on 'Gas to the West'.

The draft EQIA recognized that affordable energy, particularly heating, is essential for everyone, and that fuel poverty can affect, in particular older people, people with disabilities, single parents and others on low income. Low income and fuel poor households are likely to find it easier to budget for their energy needs with natural gas. 'Pay As You Go' pre-payment meters can be topped up using relatively small amounts of money on an ongoing basis rather than requiring a significant payment at wider intervals as, perhaps, would be the case for an oil delivery.

The draft EQIA also included information on the potential (but limited) impact on gas bills of postalising some of the costs associated with the new gas network.

The Department received four substantive responses to the draft EQIA which were broadly supportive of its findings and which recognised the potential benefits of natural gas for energy consumers in the West and North West, including those in a number of the Section 75 categories who may be more likely to experience fuel poverty. Disability Action provided some useful information on the effects of fuel poverty on people with disabilities which was incorporated into the final EQIA.

Postalisation Policy

The policy of postalising the cost of providing major new gas networks through a common transmission tariff was consulted upon separately in 2002 as part of the preparation for the implementation of the Energy (NI) Order 2003. The Energy Order subsequently put in place the powers necessary to give effect to postalisation, including giving the Department the power to designate pipelines (Article 59) for the purpose of securing that the prices charged for conveyance of gas through designated pipelines are in accordance with a Common Tariff (Article 60).

Update on Gas to the West Impacts

In 2015, the Department updated its economic appraisal on Gas to the West following the Utility Regulator's award of new exclusive gas licences to developers to take forward the project. The 2015 updated appraisal found that, based on estimated costs of £113.7m for the major inter-town pipelines and taking government grant assistance into account, the project could result in an increase of 0.5% in the postalised gas transmission tariff for all gas consumers over the 40-year recovery period. This increase would add around 0.04-0.05% to overall gas bills which translates to an extra £0.23 per year for the average domestic customer.

Section 75 category	Details of evidence/information
Religious belief	
Political opinion	
Racial group	
Age	Fuel poverty statistics suggest that older people are disproportionately likely to find themselves in fuel poverty and vulnerable to energy costs.
Marital status	
Sexual orientation	

Men and women generally	
Disability	Fuel poverty statistics suggest that people with disabilities are disproportionately likely to find themselves in fuel poverty and vulnerable to energy costs.
Dependants	Fuel poverty statistics suggest that lone parents are disproportionately likely to find themselves in fuel poverty and vulnerable to energy costs.

Part 2. Screening questions

Introduction

In making a decision as to whether or not there is a need to carry out an equality impact assessment, the public authority should consider its answers to the questions 1-4 detailed below.

If the public authority's conclusion is **none** in respect of all of the Section 75 equality of opportunity and/or good relations categories, then the public authority may decide to screen the policy out. If a policy is 'screened out' as having no relevance to equality of opportunity or good relations, a public authority should give details of the reasons for the decision taken.

If the public authority's conclusion is **major** in respect of one or more of the Section 75 equality of opportunity and/or good relations categories, then consideration should be given to subjecting the policy to the equality impact assessment procedure.

If the public authority's conclusion is **minor** in respect of one or more of the Section 75 equality categories and/or good relations categories, then consideration should still be given to proceeding with an equality impact assessment, or to:

- measures to mitigate the adverse impact; or
- the introduction of an alternative policy to better promote equality of opportunity and/or good relations.

In favour of a 'major' impact

- a) The policy is significant in terms of its strategic importance;
- b) Potential equality impacts are unknown, because, for example, there is insufficient data upon which to make an assessment or because they are complex, and it would be appropriate to conduct an equality impact assessment in order to better assess them;
- c) Potential equality and/or good relations impacts are likely to be adverse or are likely to be experienced disproportionately by groups of people including those who are marginalised or disadvantaged;
- d) Further assessment offers a valuable way to examine the evidence and develop recommendations in respect of a policy about which there are concerns amongst affected individuals and representative groups, for example in respect of multiple identities;
- e) The policy is likely to be challenged by way of judicial review;
- f) The policy is significant in terms of expenditure.

In favour of 'minor' impact

- a) The policy is not unlawfully discriminatory and any residual potential impacts on people are judged to be negligible;
- b) The policy, or certain proposals within it, are potentially unlawfully discriminatory, but this possibility can readily and easily be eliminated by making appropriate changes to the policy or by adopting appropriate mitigating measures;
- c) Any asymmetrical equality impacts caused by the policy are intentional because they are specifically designed to promote equality of opportunity for particular groups of disadvantaged people;
- d) By amending the policy there are better opportunities to better promote equality of opportunity and/or good relations.

In favour of none

- a) The policy has no relevance to equality of opportunity or good relations.
- b) The policy is purely technical in nature and will have no bearing in terms of its likely impact on equality of opportunity or good relations for people within the equality and good relations categories.

Taking into account the evidence presented above, consider and comment on the likely impact on equality of opportunity and good relations for those affected by this policy, in any way, for each of the equality and good relations categories, by applying the screening

questions detailed below and indicate the level of impact on the group i.e. minor, major or none.

Screening questions

1 What is the likely impact on equality of opportunity for those affected by this policy, for each of the Section 75 equality categories? minor/major/none		
Section 75 category	Details of policy impact	Level of impact? minor/major/none
Religious belief		None/minor
Political opinion		None/minor
Racial group		None/minor
Age	Gas network extension could provide an alternative, more easily managed fuel choice for older people in fuel poverty. All gas customers, including older people, in the existing gas areas in NI would face a small increase in their gas bills as a result of postalising some of the Gas to the West costs but this is estimated to be insignificant.	Gas to the West could, potentially, have a beneficial impact on older people in the West.
Marital status		None/minor
Sexual orientation		None/minor
Men and women generally		None/minor

Disability	Impacts on people with disabilities are as for older people above.	Gas to the West could, potentially, have a beneficial impact on people with disabilities in the West.
Dependants	Impacts on lone parents are as for older people above.	Gas to the West could, potentially, have a beneficial impact on single parents in the West.

2 Are there opportunities to better promote equality of opportunity for people within the Section 75 equalities categories?		
Section 75 category	If Yes, provide details	If No, provide reasons
Religious belief		See below.
Political opinion		See below.
Racial group		See below.
Age	See below.	
Marital status	See below.	
Sexual orientation	See below.	
Men and women generally	See below.	

Disability		See below.
Dependants		See below.

In line with the findings of the Department's 2012 economic appraisal, the Gas to the West project has been designed in a way which will make natural gas available to as many domestic households in the West as is economically viable, i.e. without increasing gas bills for all gas consumers significantly. Furthermore, the NI Executive has agreed to provide grant assistance up to £32.5m in order to reduce the potential impact on gas bills.

Making natural gas available to further towns in the West on the basis of postalising some of the major costs may help to address the issue of fuel poverty which particularly affects older people, people with disabilities, lone parents and others on low incomes, as well as reducing carbon and other greenhouse gas emissions.

3 To what extent is the policy likely to impact on good relations between people of different religious belief, political opinion or racial group?		
Section 75 category	Details of policy impact	Level of impact minor/major/none
Religious belief		None
Political opinion		None
Racial group		None

4 Are there opportunities to better promote good relations between people of different religious belief, political opinion or racial group?		
Good relations category	If Yes , provide details	If No , provide reasons
Religious belief		None
Political opinion		None
Racial group		None

Additional considerations

Multiple identity

Generally speaking, people can fall into more than one Section 75 category. Taking this into consideration, are there any potential impacts of the policy/decision on people with multiple identities?

(For example; disabled minority ethnic people; disabled women; young Protestant men; and young lesbians, gay and bisexual people).

Provide details of data on the impact of the policy on people with multiple identities. Specify relevant Section 75 categories concerned.

The most vulnerable people and those most likely to experience fuel poverty may fall into several Section 75 categories, e.g. older people with disabilities, and single women with dependents. Extending the gas network to the West on the basis of postalising some of the costs to ensure that the project is economically viable should have a positive impact on these people by providing access to a source of more easily budgeted energy.

Part 3. Screening decision

If the decision is not to conduct an equality impact assessment, please provide details of the reasons.

A full EQIA is **not** deemed necessary. Gas network extension to the West has already been subjected to a full EQIA, including consideration of the impacts which postalisation policy might have on gas bills. Based on existing research and responses to earlier consultations, the Department considers that extending the gas network to towns in the West should benefit individuals by bringing greater fuel choice and helping to shift the dependence on coal and oil for household heating as well as helping to reduce fuel poverty. Taking forward the Gas (Designation of Pipelines) Order (NI) 2016 as part of the Gas to the West project is implementing existing policy which has been designed to ensure the economic and efficient development of the NI gas industry.

If the decision is to subject the policy to an equality impact assessment, please provide details of the reasons.

N/A

All public authorities' equality schemes must state the authority's arrangements for assessing and consulting on the likely impact of policies adopted or proposed to be adopted by the authority on the promotion of equality of opportunity. The Commission recommends screening and equality impact assessment as the tools to be utilised for such assessments. Further advice on equality impact assessment may be found in a separate Commission publication: Practical Guidance on Equality Impact Assessment.

All policies need to be proofed or have their impact assessed against a wide range of criteria, including equality, rural & environmental impact assessments. The Executive Office has developed a Policy Toolkit to provide practical guidance on the policy development process in NI. Part 4 of the toolkit provides a practical framework on impact

assessments. The toolkit is available at <http://www.executiveoffice-ni.gov.uk>

Mitigation

When the public authority concludes that the likely impact is 'minor' and an equality impact assessment is not to be conducted, the public authority may consider mitigation to lessen the severity of any equality impact, or the introduction of an alternative policy to better promote equality of opportunity or good relations.

Can the policy/decision be amended or changed or an alternative policy introduced to better promote equality of opportunity and/or good relations? If so, give the **reasons** to support your decision, together with the proposed changes/amendments or alternative policy.

Grant assistance up to £32.5m has already been agreed by the NI Executive in order to reduce the impact on gas bills of postalising some Gas to the West costs.

Part 4. Monitoring

Section 75 places a requirement on DfE to have equality monitoring arrangements in place in order to assess the impact of policies and services etc; and to help identify barriers to fair participation and to better promote equality of opportunity.

Outline what data you will collect in the future in order to monitor the impact of this policy/decision on equality, good relations and disability duties.

Equality	Good Relations	Disability Duties
DfE will consider fuel poverty statistics and trends.		

Part 5. Disability Duties

Under the Disability Discrimination Act 1995 (as amended by the Disability Discrimination (Northern Ireland) Order 2006), public authorities, when exercising their functions, are required to have due regard to the need:

- to promote positive attitudes towards disabled people; and
- to encourage participation by disabled people in public life.

Does this policy/legislation have any potential to contribute towards promoting positive attitudes towards disabled people or towards encouraging participation by disabled people in public life?

If yes, please give brief details.

N/A

Part 6. Consideration of Human Rights

The Human Rights Act (HRA) 1998 brings the European Convention on Human Rights (ECHR) into UK law and it applies in Northern Ireland. Indicate below (place an X in the appropriate box) any potential **adverse impacts** that the policy/decision may have in relation to human rights issues.

Right to Life	Article 2	<input type="checkbox"/>
Prohibition of torture, inhuman or degrading treatment	Article 3	<input type="checkbox"/>
Prohibition of slavery and forced labour	Article 4	<input type="checkbox"/>
Right to liberty and security	Article 5	<input type="checkbox"/>
Right to a fair trial	Article 6	<input type="checkbox"/>
Right to no punishment without law	Article 7	<input type="checkbox"/>
		<input type="checkbox"/>

Right to respect for private and family life, home and correspondence	Article 8	
Right to freedom of thought, conscience and religion	Article 9	<input type="checkbox"/>
Right to freedom of expression	Article 10	<input type="checkbox"/>
Right to freedom of peaceful assembly and association	Article 11	<input type="checkbox"/>
Right to marry and to found a family	Article 12	<input type="checkbox"/>
The prohibition of discrimination	Article 14	<input type="checkbox"/>
Protection of property and enjoyment of possessions	Protocol 1 Article 1	<input type="checkbox"/>
Right to education	Protocol 1 Article 2	<input type="checkbox"/>
Right to free and secret elections	Protocol 1 Article 3	<input type="checkbox"/>

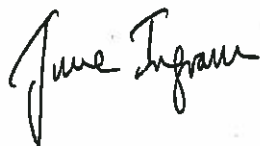
Please explain any adverse impacts on human rights that you have identified.

N/A

Please indicate any ways which you consider the policy positively promotes human rights.

N/A

If you find that the policy/proposal interferes with or limits one or more of the Convention rights, please complete the full 'Human Rights Act Impact Assessment' pro forma, which is available at <http://www.executiveoffice-ni.gov.uk> along with further information on compliance with the European Convention on Human Rights.



Signed: _____ June Ingram

(Head of Division)

Division: Energy, Telecoms, Minerals and Petroleum Division

Date: 26 May 2016

PLEASE FORWARD AN ELECTRONIC COPY OF THIS COMPLETED FORM (WITHIN 2 WEEKS OF G5 SIGNATURE) TO equality@economy-ni.gov.uk.

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